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"Hongkong Daily Press," June 27, 1941.



Hongkong Daily Press.

Registered as a Newspaper at the General Post Office in the United Kingdom.

報 西

ESTABLISHED 1857

刺 孫

15-19 Marlborough House, Queen's Road Central.
G.P.O. Box No. 1

No. 258 6 第六屆香港報章年鑑

HONGKONG, FRIDAY, JUNE 27, 1941.

日英月華年鑑

Price Single Copy: 10 cents.
Per Month: \$3.00.

ENTIRE GERMAN WAR MACHINE THROWN INTO RUSSIAN CAMPAIGN: VITAL TO END SOON AS POSSIBLE

Heavy Air Losses On Both Sides On First Four Days Of Battle

SOVIETS COUNTER LUFTWAFFE STRONGLY

A BERLIN SPOKESMAN HAS REVEALED THAT IT IS VITAL FOR GERMANY TO FINISH THE RUSSIAN CAMPAIGN IN THE SHORTEST POSSIBLE TIME AND FOR THIS PURPOSE ALMOST THE ENTIRE GERMAN WAR MACHINE IS BEING USED REGARDLESS OF COST.

The total number of German troops already engaged was over one million, he asserted, and added that a further million were in reserve. The spokesman also revealed that the Germans are using more planes than in the Battle of France last year, says Reuter.

THE SOVIETS ARE COUNTERING INTENSE GERMAN AIR ACTIVITY BY THROWING THE GREATER PART OF THEIR AIR FORCE INTO THE FRAY, AND LOSSES ON BOTH SIDES ARE REPORTED TO HAVE BEEN VERY HEAVY.

According to a Soviet communiqué, in the first four days of the war the Germans lost 457 planes and the Russians 291.

GERMAN BUSINESSES AFFECTED

HSINKING, June 26 (Reuter)—THE STOPPAGE OF GERMAN TRAFFIC ON THE TRANS-SIBERIAN RAILWAY IS RAPIDLY BEING FELT IN GERMAN CIRCLES THROUGHOUT MANCHUKUO WHO ARE NOW PARTIALLY ISOLATED FROM THE PATHERLAND.

Their businesses have been affected and their correspondence to and from Germany will now take months instead of weeks.

A NUMBER OF GERMANS ARRIVING FROM THE UNITED STATES AND SOUTH AMERICA, EN ROUTE TO GERMANY, HAVE BEEN COMPELLED TO CHANGE PLANS AND FIND TEMPORARY ACCOMMODATION IN THE FAR EAST.

Several Germans who reached Manchouli were warned in the nick of time before crossing the Russian border.

The next few months will doubtless see the Far East crowded with German evacuees from the Western Hemisphere.

Hitler Dreads U.S. Entry In The War

"Hitler dreads the United States entry into the war and it may have been this fear that decided him on this invasion of Russia," remarked MAJOR ALLEN MURRAY in the course of a broadcast from London last night.

The speaker said that Vladivostock had, in a night, become a port for aid to Russia from the United States.

The new war, said Major Murray, had rendered Japan somewhat isolated and her trade via Siberia had been stopped causing more uneasiness in her partnership with the Axis.

The relations between Finland and Russia and Finland and Germany were rather complex the trouble being that German troops were in Finland in some force.

Russia had already announced her policy, similar to that of Bri-

WELCOME TO AMERICAN VOLUNTEERS

CHUNGKING, June 26 (Reuter)—A welcome to American volunteers to China is expressed in today's TAKUNGPAO which says:

"Reports that American volunteers are going to China and Britain have been in circulation for some time, but President Roosevelt's announcement formally revealed the matter to the public."

"This is another indication of further American aid to China and Britain, and American volunteers will give valuable assistance to China and a further demonstration of close Sino-American co-operation.

"We therefore specially welcome this announcement."

Press reports stated that Helsinki was bombed early yesterday.

A neutral observer with the Russian forces said that there were four possible routes for the German drive, excluding direct attack from Finland.

These would be,

FIRSTLY, across the Baltic States direct on to Leningrad.

SECONDLY, through Baranovitch gap south of the Pripyat Marshes on to the Moscow Road which was taken by Napoleon.

THIRDLY, from the point where the frontier leads to the Rivers Bug and San through Lwow on to Kiev, and

FOURTHLY, across the Rivers Pruth and Dniester to southern Ukraine and Odessa.

There is evidence, the observer said, that attacks have been made in all four quarters but from communiques issued by belligerents it would seem that two principal attacks are being made through the Baltic States on

to Leningrad and along the Napoleonic line through Baranovitch gap to Moscow.

He pointed out, however, that it was too early to say in which direction the main attacks may develop.

Cont'd Page 7, Col. 6

SWEDEN ALLOWS GERMANY RIGHT OF THE PASSAGE OF TROOPS FROM NORWAY TO FINLAND

Question Being Studied In London

LONDON, June 26 (B.W.S.)—STOCKHOLM REPORTS THAT A STATEMENT HAS BEEN ISSUED BY THE SWEDISH GOVERNMENT ANNOUNCING A CONCESSION TO GERMANY OF THE RIGHT OF PASSAGE OF TROOPS FROM NORWAY THROUGH SWEDEN TO FINLAND.

So far no comment is made on the subject in authoritative circles in London where, however, the question is receiving attention.

Communist M.P. Says Must Be Big Drive In Factories

LONDON, June 26 (Reuter)—The situation has now so changed that it is unnecessary to put a campaign for a people's peace in the forefront; there must be co-operation and a big drive in the factories, said the only Communist member of the House of Commons, Mr. W. Gallacher, to reporters today.

He added the big question is co-operation between Britain and the Soviet Union in the interests of the peoples of both countries, therefore, the Communists will support the British Government in any steps to advance further that co-operation.

"We shall be prepared to discuss with the members of the Labour Party, with members of any other Party, or no Party, measures to be taken to ensure that co-operation. "We are always opposed to a Hitler peace or sell-out of any kind. We have nothing to do with peace by negotiations or parley."

The spokesman said he believed the concession would further Sweden's chief interest, namely, to remain outside the war.

Questioned as to whether Sweden would help Finland materially is before, the spokesman said Finland now "has a powerful helper."

The Finnish Legation in London last night presented to the Foreign Office a statement which closely corresponds with the one issued publicly here to the effect that violations of Finnish territory from Russia and the bombing of Finnish towns and villages compelled Finland from now on to defend herself with every means in her power.

The matter is receiving urgent

It is recalled that the British Government strongly deplored the earlier agreement between Sweden and Germany for the passage of troops to Northern Norway under certain limiting conditions.

WISH OF FINLAND

STOCKHOLM, June 26 (Reuter)—A spokesman of the Swedish Foreign Office today informed the Press that the Swedish Government had been induced to agree to the transport of a unit of German troops through Sweden because it was the wish of Finland that the unit should proceed to Finland to protect her in case of attack.

The decision to allow transit was taken after consultation with the political Parties in both Chambers of the Riksdag.

No other demand had been made on Sweden though technical details of Sweden's neutrality had been discussed. This transit was limited in number and would not recur.

The question of the cession of bases in Sweden had never been discussed, said the spokesman, who emphasised there was also no question of taking sides in the Anglo-German struggle. They only took the side of Finland in the event of being involved against Russia.

The spokesman said he believed the concession would further Sweden's chief interest, namely, to remain outside the war.

Questioned as to whether Sweden would help Finland materially is before, the spokesman said Finland now "has a powerful helper."

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Populated Quarter Bombed At 4 a.m. By The Nazis

JERUSALEM, June 27 (Reuter)—

30 and 40 people were killed and many injured when the Germans dropped bombs on the thickly populated quarter of Babtouna in Damascus yesterday morning at 4 a.m. A British eye-witness has just described the scenes.

There were absolutely no military objective in the vicinity unless a hospital could be so described. The world famous Omayad Mosque and the historic tomb of Saladin were damaged.

"This is sheer savagery," it is declared.

The German bombing caused widespread anger among the Arabs for whose benefit the German Radio yesterday broadcast that, during the Allied advance, British planes destroyed the Omayad Mosque.

In point of fact the inhabitants of Damascus have publicly expressed satisfaction at the care taken during the Allied attack shown by the fact that only two civilians were killed and seven wounded, and none near any mosque.

Details of the damage caused by the German raid are not yet available but a large fire started near the Omayad Mosque was quickly under control.

IMPERIAL CONFERENCE IN LONDON

CANBERRA, June 26 (Reuter)—

An Imperial conference in London in the autumn of all dominions, at which the Prime Minister, Mr. R. G. Menzies, would lead the Australian delegation, is forecast here in informed political circles.

Mr. Menzies and the Prime Ministers of other dominions have already exchanged views on the matter with Mr. Churchill, it is stated.

Mr. Menzies will probably take two Ministers with him and it is believed that he will suggest taking a member of the Labour Party.

consideration by the British Government but so far no official statement has been made.

The fact that large numbers of German troops have been concentrated in Finland has been known for some time.

Large Fires Started At Kiel, Bremen

LONDON, June 26 (Reuter)—Large numbers of fires were started when the R.A.F. attacked the naval base of Kiel and the port of Bremen last night, says an Air Ministry communiqué.

The docks at BOULOGNE were also bombed during the night. One aircraft is missing from the raids on Germany.

Nazi raids on BRITAIN last night were again on a comparatively small scale. Bombs were dropped at scattered points from the South of England to one place in Scotland, causing some damage and a few casualties.

Two German aircraft were destroyed in these raids.

SUCCESS CONTINUED

LONDON, June 26 (B.W.S.)—During the week ended June 22, attacks on enemy shipping show a continuation of success.

In the Mediterranean and Aegean seas, a large Italian liner

Today's News Summary

WITH THE PURPOSE OF FINISHING the campaign in Russia in the quickest possible time, almost the entire German war machine is being used while the Soviets, countering the Luftwaffe, are throwing nearly their entire air force into the fray. Air losses on both sides in the first four days are reported to have been heavy.

An Italian division is being sent to fight the Russians.

SWEDEN'S CONCESSION TO GERMANY for the right of passage of troops from Norway to Finland is reported to have been done at the wish of Finland to prepare for an attack. The question is being closely considered in official circles in London.

ANOTHER LIAISON CONFERENCE BETWEEN the Japanese Government and the High Command was held in Tokyo yesterday to study important questions confronting Japan. Prince Konoye, the Prime Minister, was present.

ENLARGEMENT OF THE AUSTRALIAN CABINET has been announced.

R.A.F. RAIDS OVER NORTH-WEST GERMANY were continued on Wednesday night.

AN IMPERIAL CONFERENCE TO BE HELD in London in August is forecast in Canberra.

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5 Legislative Council meeting;

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7 Round the Police Courts;

Summary Court action.

MATSUOKA REPORT

The official Government spokesman categorically denied reports alleging an impending reshuffle in

"SEMI-VOLUNTARY" SAVINGS IN AMERICA

WASHINGTON, June 26 (Reuter)

The possibility of the introduction of "semi-voluntary" savings in the United States in order to check inflationary tendencies is foreshadowed by Mr. Leon Henderson, American Price Control Administrator, in testimony before the House Appropriations Subcommittee, made public today.

Mr. Henderson also forecast that President Roosevelt will ask Congress for "mandatory price control legislation" and added that "ceilings" will inescapably be placed on agricultural prices if unwarranted increases began.

The HOCHI SHIMBUN regards the Russo-German war as merely a step for the advancement of President Roosevelt's plan, and paints a picture of a northern menace to Japan by the linking of Alaska, Aleutians and Vladivostok.

Newspapers, with Axis ob-

ligations and the Russo-Japan-

ese Neutrality Pact in mind,

emphasise that Hitler's "bullet

diplomacy"

GLUT OF GALAS SCHEDULED FOR COMING MONTH

"Y" Will Meet With Strong Opposition In Distance Events At Salisbury Road

BY "JIN"

WITH THE EXCEPTION OF THE GALA WHICH WAS HELD BY THE KOWLOON RESIDENTS' UNION AT LAI CHI KOK last Saturday no other galas were staged although the swimming season is in full swing. However, there is a galaxy of night fêtes in the very near future, which every swimming fan is looking forward to, and the one scheduled for tomorrow at the European Y.M.C.A. Pool between the home team and the University will be a very interesting affair.

L. A. Benn, who has just recently joined the V.R.C. and who is under the expert coaching of L. A. Soares, will be seen in action for the "Y". The "Y" team will experience little difficulty in the sprint events but will come up against strong opposition in the long distances in the person of Charles Huang. A close affair will be the relay race, with the odds slightly in favour of the home team.

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Misses Lily Sadick, Chang Oi Lin, Ko Mui Ling and Tsang Fung Kwan

CHARITY GALA

Another gala which will take place shortly will be the Government Inter-Departmental Swimming Gala in aid of the B.W.O.F. at the European Y.M.C.A. Pool on Monday June 30.

Police, P.W.D. and Prisons Re-venue, C.S.O. and Harbour, Urban Council, Medical and Education, and C.S.O. small units will be taking part.

V.R.C.-LAI TSUN MEET

The V.R.C. will entertain Lai Tsun Union on July 12 at the former's pool in what promises to be one of the most outstanding swimming events of the season.

The programme of events is a most attractive one and main interest will be centred in the 800 yards relay (four men swimming 200 yards each). V.R.C. will be represented by C. Huang, W. Lawrence, C. Silva-Netto and L. A. Benn or L. Roza Pereira.

The 200 yards breast stroke will prove to be a question of endurance and incidentally this event will be included in the Colony championships as well as in the Interport. If the latter materialises.

Chen Chun-nam, record breaker, will be seen in the 400 yards free-style and it is confidently anticipated that he will set a new mark.

WEEKLY DRIPPINGS

Mrs. V. Murrell, of the Education Department, who as Miss Vera Tanner twice represented Great Britain in the 100 and 400 metres free style and the 400 metres free-style relay races in the World Olympic Games, will be seen in action at the European Y.M.C.A. Pool on July 12 when the A.N.S. and the V.A.D. swimming gala takes place.

Very few know the name of Willis, of the Royal Corps of Signals. He is none other than the untiring and energetic secretary of the European Y.M.C.A. Invitation Water-polo tournament. He is also a rugby and soccer player of no mean repute, but due to a knee injury sustained some years back, is reluctantly compelled to give up the game.

K.F.C. RINKS

The following have been selected to represent the Kowloon F.C. in the Lawn Bowls League matches tomorrow:

SECOND DIVISION: — D. B. Evans, A. A. Dard, V. Chittenden, W. C. Simpson (skip); W. Naef, A. Eastman, C. Dowman, E. Kern (skip); A. Lapsley, V. Altena, P. Youngusband, W. V. Field (skip);

THIRD DIVISION: — B. Thompson, W. C. Ogley, G. H. Fuller, T. Ferguson (skip); G. E. Cross, G. Woodcock; A. Macintyre, R. M. Ogden (skip); B. Williams, G. Frost, Y. Abbs, J. T. Smalley (skip).

RESERVES: — W. Seraphina, J. Gibson, L. Bones.

"CUP" WINNERS TO MEET

LONDON, June 20 (Reuters)—The winners of the British and English Football War Cup, Glasgow Rangers and Preston North End respectively, are to meet at a date yet to be arranged in aid of charity.

L. Roza-Pereira, diving champion, is hard at practice and judging from the form shown by him he will undoubtedly walk away

SPORTING FIXTURES

TODAY

BILLIARDS.—Billiards Exhibition, in aid of British War Organisation Fund. Club de Recreio, 8.45 p.m.

MEETING.—Annual of Macao Jockey Club, 3rd floor, Prince's Building, 4 p.m.

TOMORROW

BASEBALL.—H.B. Baseball Club v. S.C.A., 2.15 p.m.; R.E. v. Chung Hwa, 4.30 p.m.

LAWN BOWLS.—First Division: Recreio "A" v. Kowloon Docks R.C., Craigengower v. Civil Service, Kowloon C.C. v. Indian R.C., Police R.C. v. Kowloon B.G.C. "B"; Recreio "B" v. Kowloon B.G.C. "A"; Second Division: Hong Kong C.C. v. Kowloon C.C., Kowloon Tong v. Craigengower, Prison O.C. v. Kowloon F.C., H.K.C. v. Taikoo R.C. Third Division: Kowloon B.G.C. v. Hong Kong F.C., Kowloon F.C. v. Poole R.C., Indian R.C. v. Hong Kong C.C., Hong Kong Electric v. Recreio.

SUNDAY, JUNE 29

BASEBALL.—H.B. Baseball Club v. Royal Engineers, 4.30 p.m.

INTER-SCHOOL BASKETBALL

Mun Sang Defeated By Pui Ching

Pui Ching beat Mun Sang by 59 to 33 in the Inter-School Basketball League at the Kowloon Chinese Y.M.C.A. on Wednesday afternoon.

Leading by 34-17 at the interval, Pui Ching forged further ahead at the resumption and dominated play in the later stages when they allowed only eight goals to their opponents.

High scorers for the victorious team were Ng Yuen-fuk and Yu Kwon-fan, who bagged 14 and 13 points respectively while Lau Tim-yuk distinguished for Mun Sang, scoring 18 of his team's 33 points.

WIN FOR SOUTH CHINA

By better combination, South China defeated Ying Wah by 53 to 38 in the other League match played.

Wong Pui-wan, South China forward, carried off flying colours by chalking up 18 points for his team.

WATER-POLO RESULTS

The following are the results of matches played last night in the European Y.M.C.A. Invitation water polo tournament.

"Playing in the Army pool, Y.M.C.A. defeated 36th R.A. by 5-0. Willis (2), Goldman (2) and Benn scored for the winners."

Also in the Army pool, Navy "A" beat Royal Scots "A" by 4-1. The goal scorers for Navy were Rutter (2), Culkin and Paul. Li Hünter replied for the Royals.

Combined Small Units lost to Signals by 5-1. McCann (2), Pitcher (2) and Hunt were responsible for the winners' goals, while Macdonald scored the solitary for the Combined Small Units.

Matches scheduled to be played at the Y.M.C.A. pool were postponed.

Tonight the Combined Small Units will meet 36th R.A.

SOLO REINS WIN IRISH DERBY

THE CURRAGHS, Eire, June 26 (Reuters)—Mr. John Dillon's Solo Reins, ridden by G. Wells, won the Irish Derby yesterday from a field of ten runners. Sir Percy Loraine's Kharo was second and Mr. H. Hartigan's Etoll de Lyons third.

The winner is a son of Hyperion who also sired last week's English Derby winner at Newmarket.

Solo Reins was favourite at 9-4 with Kharo second at 3-1 and Etoll de Lyons third at 8-1.

The race was won by a length with four lengths between second and third. The English challenger and Mrs. Tandy's Chair and Lynchstar were not in the picture.

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SPORTS & GENERAL

COMMENCEMENT EXERCISES OF LINGNAN UNIVERSITY

The annual Commencement Exercises of Lingnan University were held yesterday evening in the Great Hall of Hongkong University, the President of the College, Dr. Lei Ying-lam, presiding.

The Hon. Kam Tsang-tseng, formerly Commissioner of the Department of Education of the Provincial Government of Kwangtung and a member of the People's Political Council, presented the diplomas to the year's graduates, numbering 46 in all.

Taking part in the Procession that opened the Exercises were President Y. L. Lee, Dr. Y. K. Chu, Dean of the University, Prof. N. Z. Zia, Director of Student Guidance, Dr. C. H. Chuang, Dean of the College of Arts, Dr. H. S. Frank, Dean of the College of Science, Dr. Le Pui-man (Dean of the College of Agriculture), Dr. S. M. Ling, Acting Dean of the College of Medicine, Dr. H. T. Chen, Director of the Graduate Institute of Natural Sciences, Mr. T. Y. Ho, Mr. T. K. Lo, Miss Priscilla Wong, Dean of Women, Prof. (Miss) Y. T. Sun and Prof. Ng Chung-hon (Dept. of Chinese Literature), Prof. H. H. Rhoads and Prof. E. J. Kelley (Dept. of Western Languages and Literature), Prof. H. C. Brownell (Dept. of History and Government), Prof. Wu Yuey-ien and Prof. (Miss) C. D. Gower (Dept. of Sociology), Prof. Seto Shem and Prof. J. S. Sieu (Dept. of Business Administration), Prof. Chen Hsi-tao and Prof. B. K. Chen (Dept. of Biology), Prof. Chiu Yan-tse (Dept. of Chemistry), Prof. Chu Chin-teh (Dept. of Physics), Prof. M. K. Kwei and Prof. Wong Yuk-man (Dept. of Civil Engineering), and Prof. W. E. MacDonald (Dept. of Mathematics).

Golden keys signifying membership of the Phi Tau Phi Honorary Scholastic Society (Lingnan Chapter) were presented to Lai Tsing-nan, Miss Rosemary Lam, Chan Fu-chuan and Sze U-man.

LIST OF GRADUATES

The graduates who received their diplomas were—

College of Arts (Degree of B.A.):—Miss Wu Lai-mul, Chao Kwong-yu, Miss Rosemary Lam, Miss Katharine Wong, Chan Wing-tut, Miss Tsui Chin-yung, Letung Sao-on, Chan Thiu-kei, Miss Lam Pak-sing, Lee Tung-ching, Leung Yeuk-wong, Wong Sing-chee.

College of Science (Degree of B.A.):—Chen Muk, Hong Tong-chao, Ling Ping-kwai, Lo Po-yu, Ma Hon-in, Ngai Wing-wu, Chan Kwock-hung, Chan Po-lau, Cheng Kwei-ping, Chao Pok, Chu Cheuk-ya, Fong Chung-chik, Kwoi Lam-sang, Lau Sik-kong, Lei Hon-ye, Leung Tsui-nam, Siu Tun-tai, Sze U-man, Miss Tong Po-kwan and Miss Yu Lai-chu.

College of Business (Administration):—Chan Muk, Hong Tong-chao, Ling Ping-kwai, Lo Po-yu, Ma Hon-in, Ngai Wing-wu, Chan Kwock-hung, Chan Po-lau, Cheng Kwei-ping, Chao Pok, Chu Cheuk-ya, Fong Chung-chik, Kwoi Lam-sang, Lau Sik-kong, Lei Hon-ye, Leung Tsui-nam, Siu Tun-tai, Sze U-man, Miss Tong Po-kwan and Miss Yu Lai-chu.

College of Science (Degree of B.S.):—Chao Fuk-chua, Miss Chan Yuet-tuen, Edgar Laufer, Leung Tsui-hang.

College of Science (Degree of B.S. in Civil Engineering):—Chan Seung-mo, Chao Kuan-chee and Lo Ping-wong.

College of Agriculture (Degree of B.S.):—Yuen Ming, Chu Cheuk-woon, Chu Chi-kin, Ho Tin-sang, Kwan Kwan-wai and Yao On-tuen.

College of Medicine (Degree of M.B.):—Lam Pak-yuen.

RECORDS DISCOVERED

Recently, when excavation work began in 1907 at Tien Wang in Kansu Province, certain old records discovered there tended to prove that before literary men began to write "Chi" the common folk of the Tang Dynasty had already been singing this new kind of song to the accompaniment of music.

The finest collection of this type of poetry was contained in the Yun-I collection of miscellaneous songs, all of them composed by anonymous poets, the speaker concluded.

Professor Hsu Ti-shan, of Hongkong University, thanked the speaker.

Visiting Y's Men present were Messrs. T. M. Shen (Foothow) and George Wong (Shukwan).

B.W.O.F. ACCOUNT FOR MAY

The Receipts and Payments Account of the British War Organisation Fund for the month of May is as follows:—

RECEIPTS:—To Balance, \$16,694.06; To Donations and Subscriptions, \$5,128.96; To Sales (Central Hospital Supply Service Badges, Postal Labels, etc.) \$38.30; Total, \$21,861.32.

PAID OUT:—By Purchases (Sewing Material, Cotton, Plugs, \$300.90); By Packing, Transport, Marine and War Risk Insurance, etc., \$75.95; By Office Expenses (Salary and Wages, Telegrams, Petties, etc.) \$449.23; By Balance, \$20,428.81; Petty Cash, \$206.43; Total, \$21,861.32.

CHESS FIXTURE ADJOURNED

What may be the deciding fixture in the Colony Junior Chess Championship Tournament, the game between Tp. Yu-lau and V. V. Koltschhoff, was commenced yesterday evening and adjourned on the 4th move in a fairly even position.

To Yu-lau holds a rook, knight, bishop and three pawns, in the adjourned position against two rooks and four pawns. The end game is likely to be very lengthy and faulty play by either party may result in a win for White or Black with a draw the result of careful play on either side.

To win the Championship, Yu-lau will have to take a point off Birukoff for the Championship, and should he lose it may mean a play-off for second place.

One of the outstanding functions of the social season has been discontinued this year. At a recent committee meeting of the Society of Chartered Accountants in China it was decided not to hold their annual dinner which in past years has been so widely attended, because of the prevailing conditions. Instead the committee decided to send a contribution of one hundred guineas to the Voluntary War Contribution Fund and that amount has now been duly forwarded.

FRIDAY, JUNE 27, 1941.

THE RIGHT LABEL IS "White Label"



Mrs. Roosevelt Denies That President Made Pledge Of "Peace-At-Any-Price"

Mrs. Franklin D. Roosevelt has taken on a big job trying to interpret to a peace-loving Nation reluctantly facing war the confused anti-war promises of last fall's political campaign.

Mrs. Roosevelt is defending the President against any imputation of broken promises but for herself is quite prepared to put defeat of Hitlerism ahead of peace at any price. Presidents and we'd be Presidents want peace, but not at the expense of democracy and freedom, she holds, and does not believe that anyone can put fairly any other interpretation on anything her husband has promised.

Ten days ago in Los Angeles, Mrs. Roosevelt flatly denied that the President had promised to keep the Nation out of war.

"I don't question for one moment that every President of the United States would do everything he could to keep this country out of war, but that doesn't always mean he's successful," Mrs. Roosevelt declared. C.S.M.

"He hasn't made any such promise," Mrs. Roosevelt hastily replied. "He has said he wants peace. It is possible to stay at peace, he will do so... But the ultimate decision rests with the people."

Those who rushed to look up the record found this:

STANDS ON PARTY PLATFORM

The President definitely pledged himself to stand on the platform adopted by the Democratic Party at its Chicago Convention under pressure from isolationist Senator Burton K. Wheeler. The foreign policy plank in that platform read: "We will not participate in foreign wars, and will not send our Army, Navy, or Air Forces to fight in foreign lands outside of the Americas, except in case of attack."

In Boston, last Oct. 30, the President said: "I have said this before but I shall say it again and again. Your boys are not going to be sent into any foreign wars."

In Brooklyn, N.Y., last Nov. 1, "I am fighting to keep this Nation prosperous and at peace; I am fighting to keep our people out of foreign wars and to keep foreign conceptions of government out of our own United States."

QUEEN'S

SHOWING TO-DAY

At 2.30, 5.15, 7.20 & 9.30

They're TERRIFIC together in this dazzling story filmed from a famous prize-winning play.

CHARLES LAUGHTON
CAROLE LOMBARD

In an RKO Radio Picture

"THEY KNEW
WHAT THEY WANTED"

A great drama directed by George King with William Gargan • Harry Carey • Frank Fay

COMING SOON: IDA LUPINO in "HIGH SIERRA"

ALHAMBRA

4 SHOWS DAILY

At 2.30, 5.20, 7.20 & 9.30 P.M.

TODAY ONLY

"THE WIND and
THE WILLOW"

A Chinese Picture
in Mandarin

TOMORROW

"THEY KNEW
WHAT THEY WANTED"

Carole Lombard
Charles Laughton

LEE THEATRE

— COOLING SYSTEM —

TO-DAY ONLY At 2.30, 5.00, 7.20, 9.30 P.M.

BOOKING AT WHITEAWAY'S



STARTS TO-MORROW



MAJESTIC

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COMING EVENTS

JUNE

27—Tides: High 11.10 a.m. Low 4.48 a.m. and 8.44 p.m.
Sunrise: 6.40 a.m.; sunset: 8.11 p.m.
Annual Meeting of H.K. Tramways Ltd., Jardine, Matheson & Co. Office, noon.

Macao Jockey Club Annual General Mtg., Prince's Building, 4 p.m.
St. Andrew's Wartime Intercession Service, 6.30 p.m.
Evacuation Representation Committee Meeting, Rose Room, Peninsula Hotel, 6 p.m.

Crown Land Sale, D.O. South, Queen's Bldg., 11 a.m.

Lecture—Volunteer Nursing Detachment, First Aid, St. John's Cathedral Hall, 5.45 p.m.

H.E. Governor's Broadcast on "Hongkong War Effort," 9.15 p.m.

Indian Assn. Reception to H.E. the Governor, Gloucester Hotel, 6.30 p.m.

R.A.C. Dinner, Gloucester Hotel, Reading Room.

Cheerio Club, Darts and Table Tennis.

Billiard Exhibition in Aid of B.W.O. Club de Recreio, 9.15 p.m.

Overseas Chinese Production Reconstruction Assns. Tea Reception Gloucester Hotel, 4 p.m.

Ladies' Working Party, Govt. House, 9 a.m. to 12.30 p.m.

28—Tides: High 12.22 a.m. and 11.51 p.m. Low: 5.26 a.m. and 7.23 p.m.

Sunrise: 6.41 a.m.; sunset: 8.11 p.m.

Lecture—Dr. Chitt on "Prophecy," 7.75 p.m.

Fokfulam Road, 2nd floor, 8.30 p.m.

Annual Meeting of Anta-M-Y Selection Trust, Ltd., 12 Des Voeux Road Central, noon.

29—Tides: High 2.01 a.m. and 12.36 p.m. Low: 6.07 a.m. and 8.04 p.m.

Sunrise: 6.41 a.m.; sunset: 9.11 p.m.

30—Tides: High 2.44 a.m. and 12.7 p.m. Low: 6.57 a.m. and 8.46 p.m.

Sunrise: 6.41 a.m.; sunset: 8.11 p.m.

Women's International Club Meeting, Gloucester Bldg., 1.30 p.m.

Mr. Rewi Alley to speak

1.00 Local Time Signal and Programme Announcement.

1.02 Variety with Arthur Askey.

"Big and "Stunkers" Parlour Games

—Arthur Askey and Richard Murdoch.

Pianos—Farewell Blues; You Rascal You; Muddy Waters; Shine; My Sweetie Went Away; Sweet Jenny Lee.

—Harry Roy & His Tiger-Ragamuffins.

Vocal—Deep Purple (De Rose, Parish)

—Bebe Daniels, Little Swiss Whistling Song (Par-Davies)—Bebe Daniels and Ben Lyon, Organ—The Wind Has

Told Me A Story—Tango Habanera

Brehe—Reginald Foort, Comedian—

Knitting (Taylor); The Worm (Woodward and Askey)—Arthur Askey and Orch.

1.30 Reuter and Rugby Press and Announcements.

1.45 The Symphony Orchestra with Peter Dawson (Bass-Baritone).

The Gipsy Baron—Overture (Joh

Strauss)—The Symphony Orchestra

The Shepherd Boy's Song (Peoper)

Peter Dawson (Bass-Bar.) with Orch

Midnight Rose (D'Erlanger) — Sym

phony Orchestra. The Two Grenadiers (Sebumann) — Peter Dawson

(Bass-Bar.) w. Orchestra Brahms' Waltzes—Symphony Orchestra.

2.15 Close down.

6.00 Indian Programme

6.45 Closing Local Stock Quotations.

6.47 Piano and Violin Recital by Eileen Joyce and Fritz Kreisler.

Impromptu in E Flat Major, Op. 90,

No. 2 (Schubert); Andante in A

(Schubert) — Eileen Joyce (Piano).

Thais—Meditation (Massenet); Tarnbourin Chinola, Op. 3 (Kreisler)

Fritz Kreisler (Violin) with Piano acc.

7.15 Talk by His Excellency The Governor on "Hongkong's War Effort."

9.35 Band Music.

Fighting Strength—March (Jordan)

Sarafand—March (Willcocks) — Reci

ment Band of H.M. Irish Guards

Hobomoko—Intermezzo (Reeves) — The

Band of H.M. Coldstream Guards

9.41—10.00 News in French (on Short Wave only).

10.45 London Piano-Accordeon Band.

You Don't Know How Much You

Can Suffer (Friend and Franklin)

Angelino Piccolino (Siegle); There'll

Never Be Another You (Woods); One

Night in Monte Carlo (Lewis and

Others).

10.45 Request Variety Programme.

Vocal—Ay, Ay (Perez & Freire)

Luigi Fort (Tenor), Orch. — Hun

garian Dance, No. 5 in F Sharp Minor

(Brahms) — Royal Opera Orchestra

Covent Garden. Vocal—Tomorrow Is

Another Day (film 'A Day at the

Races') — Peter Dawson (Bass-Baritone) w. Orch. Vocal — When April

Sings (film 'Spring Parade') — Deanna

Durbin with Orch. Orch. — Tales from

the Vienna Woods—Waltz (Strauss)

Philadelphia Symphony Orchestra

cond. by Leopold Stokowski. Vocal—

Music, Maestro, Please (from "These

Foolish Things") — Frances Day wit

Orchestra. Orch. — Alice Blue Gown—

Waltz (film 'Irene') — Glenn Miller and His

Orchestra. Vocal — One Alone (from

"The Desert Song") — R.

Crooks (Tenor) with Orchestra. Vocal

—The Shabby Old Cabbie (Stillman)

Elsie Carlisle with Orchestra. Orch.

The Woodpecker Song (Elido di Laz

zaro) — Will Gahne and His Orchestra.

Vocal — I'll Never Smile Again (Lowe)

— Hutch (Leslie Hutchinson) at the

Piano. Orch. — Symphony — Waltz

(Butler and Others) — Casani Club Or

chestra. Vocal — Wish Me Luck (film

"Shipyard Sally") — Gracie Fields wit

Orchestra.

11.00 London Relay—O. M. Green's

Newsletter to the Far East.

11.15 Close down.

CROSSWORD

NO. 918

1. Border
4. Map of the world
9. Place
12. Silk of the castor bean
13. Laughing
14. Land
measure
15. Mathematical boundary line
17. Honey-gathering insect
18. American humorist
19. Small river-duck
21. Withdrawals
25. Nautical term
28. Wide-mouthed jar
29. Best of burden
31. International language
32. Compete
33. Navigates
34. Back
35. French conjunction
36. Division of a poem
37. Turns to the right
38. Cleave again
40. Hide
42. Pertaining to the ear
44. Feeble
45. Chop
47. Those who change for the better
62. Be indebted to

5. Wear away
16. Thought
20. Sleeveless
Arabian garment
57. Investigate secretly
21. Wanderer
22. Choice part
23. Ardor
24. Slashes
26. Edict
27. Large deer
30. Old World plant of the lily family
33. Ridicule
34. Tentacles
36. Sever
37. Stern
39. Quail
41. Worries
43. Wax
45. Short loop
46. Female sheep
48. Fur-bearing animal
50. Female
52. Brooks
54. Valuable fur
56. Before
58. Golf mound
59. Solution to tomorrow

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GENERAL

Radio Programmes

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W metres (8.83 megacycles).

TALK BY H.E. THE GOVERNOR "HONGKONG'S WAR EFFORT"

Request Programmes

12.15 p.m. Short Service of Inter-

cession.

12.30 Dance Music.

Fox-Trots—I Let a Song Go Out of

My Heart; The Meanest Thing You

Ever Did Was Kiss Me Harry Roy &

His Orchestra. Swing Fox-Trots—A

PREDOMINANCE OF AERIAL WARFARE IN THIRD DAY OF NAZI ATTACK ON THE U.S.S.R.

Helsinki Despatch Reports Leningrad Mass Of Flames Following Dive-Bomb Raids

LONDON, JUNE 26 (REUTER)—THE PREDOMINANCE OF AERIAL WARFARE AT THIS STAGE of the German campaign against Russia emerges from yesterday's semi-official German reports of fighting which mention air attacks on Russian communications and air support for ground forces. The official German agency claims that bombers and fighters of one air squadron on the eastern front destroyed 180 Russian tanks.

The same agency, in a review of the third day's operations on the eastern front, reports that heavy attacks were directed by German bombers against Russian railway tracks and rolling stock. At one point, it is claimed, six trains loaded with troops or vehicles were attacked and the destruction of 17 locomotives by the air force is claimed.

Referring to operation with the crushing of important ground forces, the agency adds once more:

CRUSHING SUPERIORITY

"Our aircraft dominate important military objectives, obtaining everywhere remarkable results."

"German and Rumanian aviation have demonstrated in the past three days their crushing superiority over enemy aviation, destroying 400 enemy machines. Out of this total, 30 Soviet planes were destroyed by the Rumanian air force and anti-aircraft guns, and 40 machines were destroyed with wrecks."

The same report speaks of reconnaissance by aircraft which also dealt powerful blows to communications in the rear of the enemy.

GERMAN COMMUNIQUE

The following communiqué was issued yesterday by the General Command on the German-Romanian front, according to a Bucharest despatch to the official Italian news agency:

"Operations during the first three days have proceeded according to plans established in advance. Some attempts by the enemy to counter-attack were repulsed."

Enemy aviation made an intensive bombardment of Constanza, Sulina and Galatz, and dropped several bombs on Tulcea, Braila and Jassy, but without

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TO-MORROW AT THE LEE THEATRE

AMERICAN RED CROSS WAR RELIEF

WASHINGTON, June 26 (Reuter) — The American Red Cross has spent over \$18,000,000 and the United States Government over \$16,000,000 on war relief for Britain, Belgium, Canada, China, Finland, France, Greece, the Netherlands, Norway, Poland, Spain, Switzerland and Yugoslavia.

Almost half of this has been for the British, declared Mr. Laurence Mitchell, of the American Red Cross. In his testimony to the House Appropriations Sub-

Committee.

Mr. Mitchell said that no instance had been reported of any diversion or confiscation of supplies.

Eleven of 369 ships carrying supplies to Britain had been lost at sea. One shipload for Greece had also been lost.

INVINCIBILITY OF GERMAN ARMS ONLY A MYTH

VICTORIES ARE WON BY TREACHERY

MOSCOW, June 26 (Reuter) — The invincibility of the German army is a myth," declares Lieut-General Michael Khozin, head of the Frunze Academy, "the 'Aldershot' of the Soviet Union, in the Communist Party organ Pravda.

General Khozin says that Nazi troops bluster about this myth but their victories of 1939 and 1940 were mainly won by treachery in the rear of their smaller enemies who were always numerically inferior.

The writer cites the German knowledge of the Polish mobilisation plans, that Norwegian troops were on manoeuvres with blank ammunition some distance from the German landings, and the signals given from the ground aiding German parachutists who had such effect in the Dutch campaign.

YUGOSLAVIA

General Khozin mentions that the Yugoslav Prime Minister, General Simovitch, had to remove many high officers in the few days before his dispersal prior to the German assault on his country. He also refers to contacts between leading Frenchmen and the Germans and declares that the Maginot Line fell chiefly because its flank was turned.

IN BALKANS

Finally he points out that the Poles managed to wipe out whole Nazi tank divisions and says that if the Greeks from the Metaxas Line had been able to launch a counter-attack at one moment, the result in the Balkans war would possibly be different.

He adds that whenever the Germans met with serious opposition, they won by weight of material but they have now a large force armed with massive materials who will defeat "the Fascist bird of prey."

Continued Page 9 Col. 3

AUSTRALIANS TAKE MERJ AYOUN AFTER HAND-TO-HAND FIGHTING

CAIRO, June 26 (Reuter) — It is officially announced that British and Australian troops have occupied Merj Ayoun and Inebas Saki in their advance northwards. In the right sector in Syria, all is quiet in Damascus. In the coastal sector, by bombarding Vichy positions in the Damour area, the Royal Navy is actively supporting the advance of Australian troops.

A New York message states that the Australians were engaged in hand-to-hand fighting but when they finally occupied Merj Ayoun at dawn, they found the stronghold deserted and that only a few snipers were left.

Vichy forces are reported to have fled northward during the night.

AIR SUPPORT

The Fleet Air Arm bombed enemy destroyers in the harbour of Beirut yesterday and also started fires in an attack on Tripoli. Benghazi was heavily raided by the R.A.F.

In Syria, aircraft of the R.A.F. and the Royal Australian Air Force carried out a number of offensive operations.

The railway and aerodrome at Rayak were successfully attacked.

DAMASCUS BOMBED

JERUSALEM, June 26 (Reuter) — Over 30 were killed and many

Turkish Assembly Approves Ankara Friendship Pact

LONDON, June 26 (Reuter) — The Turco-German Pact was unanimously approved by the Turkish Grand National Assembly yesterday, states the Ankara radio. The German Ambassador, von Papen, was present at the session.

M. Sarajoglu, the Turkish Foreign Minister, in a statement on the Pact said, "This treaty which regulates the relations of the two countries concerned and which shows that these relations will develop in a friendly manner in the future, is characterised by a definite stipulation that so far as we are concerned it means that Turkey's existing pledges under the Turco-British alliance are foremost and remain intact."

"In this light I consider it my duty to thank the German statesmen who have afforded us the means of working fervently for the establishment of Turco-German friendship by accepting the reservation that we keep our word already pledged to our friends."

"This constituted the main condition in the conduct of the negotiations."

M. Sarajoglu then proceeded to give details of how the pact had been brought about emphasising that during negotiations both parties had acted correctly and openly.

M. Sarajoglu added "Moreover, we on our part, kept our British friends informed of our negotiations with the Germans, and in most instances carried on consultations with our British friends."

After stating that Turkey had followed fair play, M. Sarajoglu concluded, "It can again be stated on that side that the Turkish army—heroic guardian of our peace—and along the same front, belligerent nations as well as neutrals, and finally world public

opinions have taken their stand to safeguard Turkish peace. We will not fail in our effort to prove to the world by future development to remain in this honourable position."

Anniversary Of Thailand Democratic Constitution

BANGKOK, June 26 (Reuter) — While democracy is born-locked in mortal combat in Europe, Thailand has reaffirmed her faith in democratic ideals by a three-day nation-wide celebration of the ninth birthday of the Democratic Constitution which she won with a bloodless coup d'état on June 24, 1932.

One of the coup d'état leaders is the present head of the Thai Government, Major General Luang Phibul Songgram.

PUBLIC SERVICES

Besides illuminations, fairs, processions, firework displays, tournaments and torchlight parades, the National Day celebrations were marked by the opening of new avenues, trunk roads, railways, a landing station for international flying boats, an internal commercial air line, University buildings, schools, hospitals and a Buddhist monastery where Buddha's relics brought from India have been deposited.

A foundation stone was also laid for a memorial for those who fell in the Indo-China border conflict.

PRESENTATION TO PREMIER

"I wish very much for Mr. Matsunaka to pay a visit to Thailand," said the Thai Premier to Japanese pressmen, when the latter presented him with an ancient Japanese sword. The Premier said that he wanted to visit Japan but could not find the time at present but he would go when the opportunity was found. He desired to promote co-operation between Thailand and Japan to the highest pitch.

IMPORTANT ROLE OF SOVIET SCIENTISTS

LONDON, June 26 (Reuter) — Four Vichy generals in Syria have been superseded by orders of the Vichy Government, states the Istanbul correspondent of the Independent French news agency.

The exodus from Syria continues, adds the correspondent and some 150 Germans and Italians arrived in Istanbul from Syria yesterday.

REPORT TO BERLIN

ZURICH, June 26 (Reuter) — Otto Abetz, German Ambassador to France, has arrived in Berlin, according to the Berlin correspondent of Die Tat. The aim of his visit, it is reported, is to inform the German Government in accordance with deteriorating in the situation of the Vichy forces in Syria following the fall of Damascus.

The output from factories had exceeded all the results anticipated or hoped for. Whereas in 1914 only small arms ammunition and light field artillery shells could be produced in Russia, the U.S.S.R. can produce all types of ammunition and shells for the largest type of guns in sufficient quantities to win the war.

GENERAL

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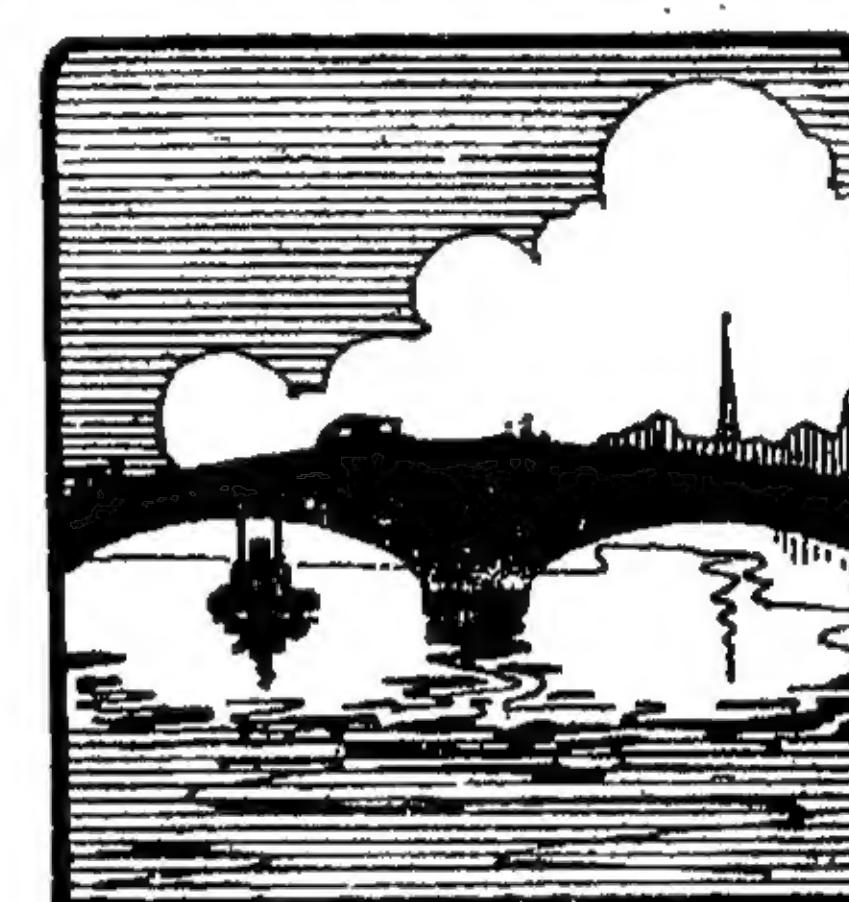
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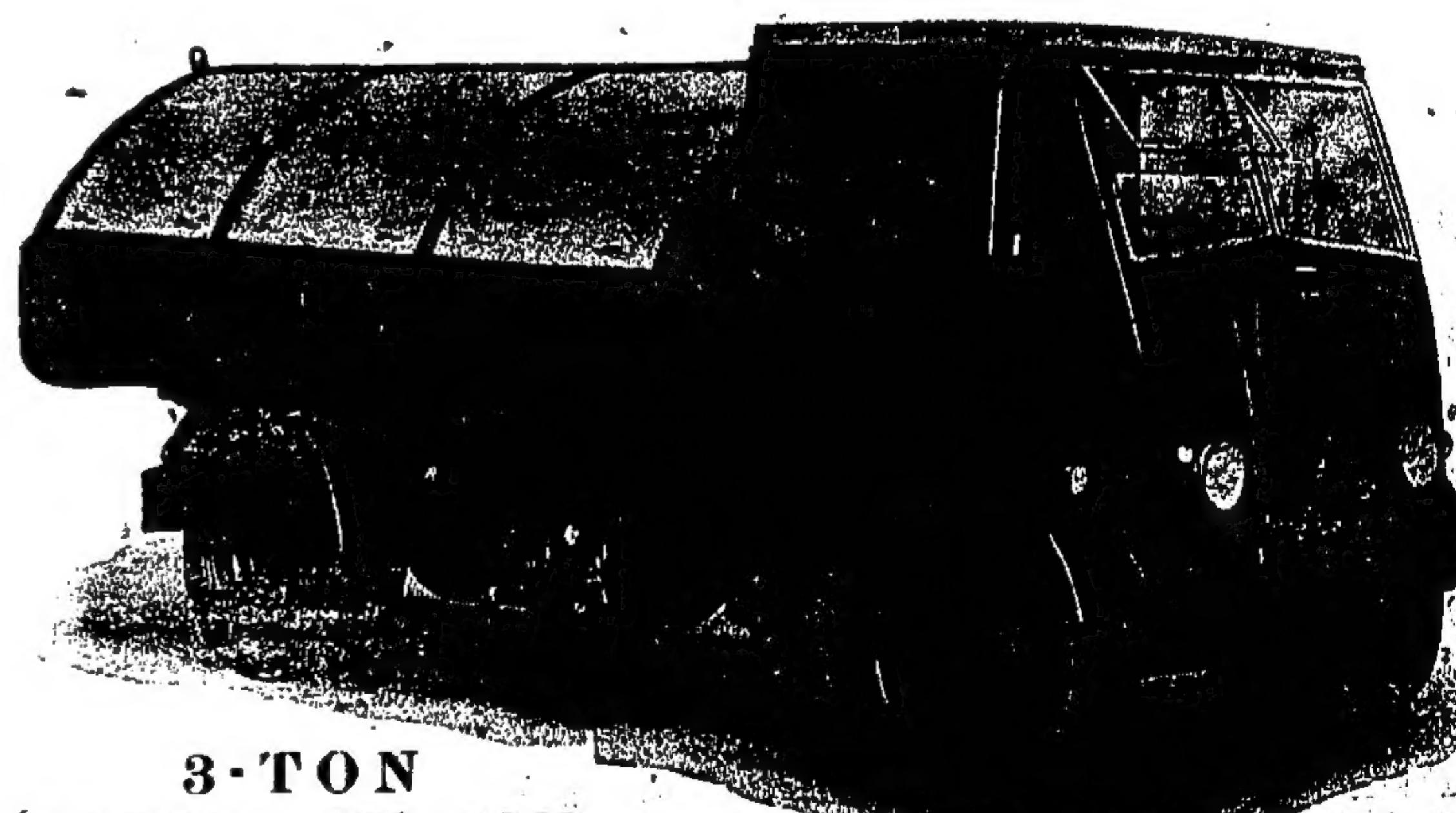
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WAR REVENUE ORDINANCES OF 1940 PASSED WITH TWO AMENDMENTS

Governor's Intention To Tax Higher Profits And Salaries According To Full Ability To Pay

WITH TWO AMENDMENTS, ONE REGARDING DEDUCTIONS ALLOWED IN ASCERTAINING PROFITS AND THE OTHER CONCERNING THE LIABILITY OF THE EXECUTOR OF A DECEASED PAYER, THE BILL TO AMEND AND CONSOLIDATE THE WAR REVENUE ORDINANCES OF 1940 WAS PASSED AT THE MEETING OF THE LEGISLATIVE COUNCIL YESTERDAY AFTERNOON.

Presiding His Excellency the Governor said that the preferable course of action appeared to be to get the amended War Revenue Ordinance on the statute-book and then to appoint a committee of very similar composition to consider the advisability either of replacing in 1942-43 the War Revenue taxes by an Income Tax, supplemented possibly by an Excess Profits Tax, or, alternatively, of developing the rate scales of the War Revenue Ordinance so as TO TAX HIGHER PROFITS AND SALARIES ACCORDING TO THEIR FULL ABILITY TO PAY.

"THIS I MAY SAY IS MY PRESENT INTENTION," added His Excellency.

Before calling on the Financial Secretary (Hon. Mr. R. R. Todd) to move the second and third readings of the Bill His Excellency addressing the Council said

Honourable Members Before calling upon the Honourable the Financial Secretary to move the second reading of the bill to amend the War Revenue Ordinance I wish to mention one important point in it upon which I regret that I failed to touch when I spoke on the subject on May 29.

It will not have escaped notice that the bill still provides only two rates of taxation, the lower of which recognises that the lowest taxable incomes cannot afford to pay the full rate, the result being that all other incomes, however great, are taxed at the rate which is considered to be fair to the business which earns any profits exceeding \$50,000 p.a. and to the salaried individual who earns anything more than \$5,000 p.a. after deduction of due allowances.

Quite obviously this crude grading does not completely fulfil the Colony's obligations as a unit of the British Empire in war time, and equally obviously we are in duty bound to see that those obligations are so fulfilled.

TAKES RESPONSIBILITY

For this inadequacy of the present measure I myself take the responsibility. By the time had returned to this Colony and had been able to look round, the Re-constituted War Revenue Committee was well on the way to its conclusions and in view of the War Taxation Department's need for a statute on which to assess and collect during the current year, I decided not to add to the Committee's terms of reference any instruction to consider the addition of higher basic or super-tax rates. That would have meant a delay that would have held the Department up seriously.

The preferable course of action appeared to be to get the amended War Revenue Ordinance on to the statute-book and then to appoint a committee of very similar composition to consider the advisability either of replacing in 1942-43 the War Revenue taxes by an Income Tax, supplemented possibly by an Excess Profits Tax, or, alternatively, of developing the rate scales of the War Revenue Ordinance so as to tax higher profits and salaries according to their full ability to pay. This I may say is my present intention.

HON. MR. M. K. LO

Mr. Lo said:— Your Excellency: In view of the very comprehensive statement made by the Hon. the Financial Secretary when he moved the First Reading of this Bill at the last meeting of this Council, I propose to say very little upon its provisions. But I would like to say that since the Report of the Re-constituted War Revenue Committee was published I have received representations regarding the Profits Tax.

These representations point out that whilst under the Salaries Tax a man with a wife and two children can deduct \$10,000 by way of allowance, under the Profits Tax a man with a wife and children, carrying on a business, has to pay

84 TRAFFIC ACCIDENTS

In the Colony of Hongkong including the Island, Kowloon and New Territories during the week ending at 8 am on Saturday, June 21, there were altogether 84 traffic accidents as the result of which 23 persons were injured.

Of the persons injured, 13 were pedestrians who were struck by vehicles while crossing the carriageway.

Of the 84 accidents, 35 were collisions between vehicles; 27 were collisions between vehicles and pedestrians; 21 accidents were due to other causes.

With regard to the Returns of May 24-31, the Chinese female, age 17, who was injured by falling off a moving bicycle on May 23 has succumbed to her injuries.

Increase, if possible, our reserves so that we could face the post-war period," said His Excellency the Governor.

Sir Geoffrey added that he was glad that the Hon. member had included in the list of war revenue tax which he (Mr. Lo) had mentioned, the possibility of more of the money going to the improvement of local social services.

His Excellency assured the Council that this was a matter which his successor would fulfil.

CHILD ALLOWANCES

Moving an amendment to Clause 13, the Financial Secretary (Hon. Mr. R. R. Todd) said:—

I wish to move an amendment in this clause. At the last meeting of this Council I stated that

I had been authorised by Your Excellency to say that further consideration would be given by Government to the allowances for the third and fourth children. As a result of such further consideration I move that in sub-paragraph (1) (c) the words "seven hundred and fifty" be substituted for "five hundred" in the fifth and sixth lines.

It is felt that in present circumstances it is justifiable to give this further slight relief to the medium-salaried taxpayer who has a wife and three or four children.

It means that such a taxpayer will not pay more in Salaries Tax than he did last year unless his income is over \$16,000 per annum.

A man with a wife and three children and an income of \$10,000 a year will pay only \$15, while a man with a wife and four children will pay nothing unless his income exceeds \$10,500 a year. The loss

Continued Page 11, Col. 4

FUNERAL OF MR. J. B. GUTIERREZ

LARGE ATTENDANCE AT CEMETERY

The funeral of Mr. Joao Baptista Gutierrez, who died suddenly at No. 6, Carnarvon Road, Kowloon, on Wednesday, took place at the Roman Catholic Cemetery yesterday.

Rev G. M. Spada, assisted by Rev. N. Maestrini, officiated at the Chapel and at the graveside.

The late Mr. Gutierrez was of a quiet disposition and was the founder of the now defunct firm of J. B. Gutierrez and Company. He was 61 years of age at the time of his death.

Mr. Gutierrez leaves one son, Fernando, six daughters, three brothers, son-in-law, two grandsons, and numerous nephews to mourn his loss.

A sheaf of flowers from son, Fernando, and daughters, Lila, Elsa, Olga, Zinda, Betty and Aida was interred with the casket.

THOSE PRESENT

Besides the chief mourners, Fernando (son), G.M., J.J. and J. P. Gutierrez (Brothers) and E.M. R.M. G.M. Gutierrez and A.E. Gomes (nephews) and a son in-law, E. Xavier, those present were

Messrs. M. L. Roza, F. Barros, F. X. Ribeiro, G. A. V. Ribeiro, L. A. Barton, A. C. Barton, A. Ribeiro, Peter Lo, Andrew Lock, F. X. Mendes, A. de O. Sales, J. Tavares, C. Gutierrez, A. P. Souza, L. R. Campos, C. Agon, M. Agon, V. G. Xavier, E. Passos, P. M. Xavier, R. C. Sales, Messrs. L. R. Sequeira, C. Sales, Messrs. L. R. Sequeira, H. O. Barreto, C. H. Osmund, O. A. Remedios, H. T. Jorge, J. M. Noronha, J. M. Figueiredo, L. A. Sequeira, N. B. Mohamed, A. Barros, Wan Yee-ping, Leung Chan-tin, V. M. Xavier, C. M. Sequeira, A. Azedo, C. M. Azedo, C. Cunha, Miss L. Sequeira, and many others.

FLORAL TRIBUTES

Wreaths were sent by Fernando, Lila, Elsa, Olga, Zinda, Betty and Aida, Mr. and Mrs. E. M. Xavier, Inho Gutierrez, Joao Gutierrez and family, N. B. Mohamed, Blanche, Mr. and Mrs. P. A. Xavier and Family, Mr. and Mrs. R. C. Sales and family, Chue Shue-kwong, Leung Shiu-hing, Leung Cheong-ting, and Gregg Company.

Hongkong Lithographic and Ter-

tarries of the Congregation of the Order of St. Francis.

HEALTH BULLETIN

The following is the Returns of notifiable diseases notified as having occurred in the Colony during the 24 hours ended at midnight on June 25:—

Cerebro-Spinal Fever, one case;

Cholera, nine cases; Dysentery, eight cases; Enteric Fever, three cases; Puerperal Fever, one case;

Tuberculosis, 33 cases.

"Friends Of The Wounded" Movement: Fourfold Purpose

An appeal to the Hongkong Y's Men's Club in particular and to all local organisations in general to support one or more voluntary workers for China's military hospitals was made yesterday at the weekly tiffin meeting of the Y's Men's Club by Mr. William L. Hsu, Associate Secretary and Founder of the "Friends of the Wounded" Movement.

Mr. Hsu said that the Chungking Y's Men's Club was supporting three such voluntary workers, and many organisations throughout Free China were similarly represented in the hospitals for wounded soldiers throughout the country. The Movement had now 3,000,000 members, ranging from bankers who had contributed \$20,000 to the ordinary peasant who had contributed an egg or a handful of rice.

I feel sure, Sir, that any assurance which Your Excellency can give that any surplus will be faithfully safeguarded and used only for the furtherance of the Colony's war effort, but what I believe the general public to be anxious about is this: will the prospect of a substantial surplus accentuate the tendency, which is so much deplored by the public, of extravagant expenditure on the part of Government.

I feel sure, Sir, that any assurance which Your Excellency can give that any surplus will be faithfully safeguarded and used only for the furtherance of the Colony's war effort, but what I believe the general public to be anxious about is this: will the prospect of a substantial surplus accentuate the tendency, which is so much deplored by the public, of extravagant expenditure on the part of Government.

Whatever trials and tribulations may lie before this Colony we are, at the moment, living in security and comfort. It may, therefore, seem presumptuous on our part even to refer to the terrible ordeal which is being undergone by civilians in battered Britain, or to refer to the unparalleled heroism displayed by the fighting forces in the various theatres of war. But I know that everyone in the Colony feels these things deeply, and with such assurance from Your Excellency as I have indicated I am certain that the public of Hongkong will cheerfully bear the burden of increased rates. (Applause).

PRIME OBJECTS

"The prime objects of increasing war revenue taxation was to enable our war effort to become stronger and, at the same time to

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DELICIOUSLY creamy, cool and refreshing, 'Ovaltine' Cold is the perfect summer drink. It is supremely nourishing, too—just what you need to keep you fit and full of energy in spite of strenuous exercise and enervating weather.

Remember that the light meals you enjoy in Summer are not completely nourishing. Delicious 'Ovaltine' supplies all the health-giving vitamins and important food elements that build up radiant health and abundant energy.

'Ovaltine' Cold is the favourite summer drink of countless thousands of people. Drink it every day—and note the difference.

• OVALTINE—COLD OR HOT—is now served at CAFES, RESTAURANTS, BATHING POOLS AND MILK BARS.



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POLICE REPORTS

A seaman on board a British ship is reported to be missing since Monday, June 23. His name was given as Kilgour.

A 20-year-old man was taken to the Kowloon Hospital yesterday suffering from body and hand injuries. He was found lying unconscious outside No. 71 Tong Mei Road, Mongkok, and the Police suspect that he might have received the injuries when he fell while attempting to scale a wall.

NEW ADVERTISEMENTS

NEW ADVERTISEMENTS

BANK HOLIDAY.

In Accordance with Government Ordinance, THE EXCHANGE BANKS will be CLOSED for the Transaction of PUBLIC BUSINESS on TUESDAY, the 1st July, 1941. (The First Week day in July.) Hongkong, 26th June, 1941.

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NOTICE.

Notice is hereby given that VICTOR ALEXANDRE VIEIRA RIBEIRO of No. 16 Carnarvon Road, Kowloon, Hongkong, is applying to the Governor for naturalization, and that any person who knows any reason why naturalization should not be granted should send in a written and signed statement of the facts to the Colonial Secretary.

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HONGKONG TRAMWAYS LIMITED.

Solicitors for the Executrix,
1, Des Voeux Road Central,
Hong Kong.

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NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of HONGKONG TRAMWAYS LIMITED will be held at the offices of Messrs. Jardine, Matheson & Co., Ltd., Pedder Street, Hongkong, on Friday, the 27th day of June, 1941 at 12 o'clock noon, when a resolution will be proposed as a Special Resolution amending certain of the Articles of Association of the Company, full particulars of which have been circularised by post to all shareholders.

A print of the proposed special resolution may be inspected at any time during business hours at the registered offices of the Company, Canal Road East, Bowrington, Hongkong, or at the offices of the solicitors for the Company, Messrs. Deacons, Prince's Building, (first floor), Hongkong.

By Order of the Board,

W. F. SIMMONS,
Secretary & Assistant Manager,
Hongkong, 4th June, 1941.

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CHINESE ESTATES, LIMITED.

LOST SHARE CERTIFICATES

NOTICE IS HEREBY GIVEN that Certificates Nos. 260, 261 & 262 registered in the name of Sum Pak Ming covering One hundred and five shares in this Company, particulars of which are given below, have been reported LOST or MISLAID and NOTICE IS HEREBY ALSO GIVEN that unless the said certificates are produced at the registered office of the Company at China Building, 5th floor, Hong Kong within THIRTY DAYS from the date of this Notice, the aforesaid Certificates Nos. 260, 261 & 262 shall be deemed CANCELLED AND OF NO EFFECT and an application to the Company for the issue of duplicate certificates in respect of the said shares will be proceeded with in the usual course.

The particulars of the said shares are as follows:

No. of certificate	No. of shares	Distinctive Nos.
260	50	12300 to 12349
261	50	12350 to 12399
262	5	12400 to 12404

250

ENJOYABLE CONCERT

A very enjoyable evening was had by all when a Variety Entertainment, arranged and compered by Mr. David Kosick, was presented to a large audience at the Sailors' and Soldiers' Home last night.

The artistes who took part included Freddy Archer, Arthur Robbins, Stanley Hincklin, "Scotch," Maude Deacon, Mitzi Glover, Ian Heath, A. D. Spores, Bill Doxford, David Kosick and others. The stage manager was Monty Dilton who was assisted by Les Barker.

By Order of the Board of Directors,

FUNG PING FAN,
Director & Secretary,
Hong Kong, 30th May, 1941.

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EDITORIAL

Why Lady Assessor From Home?

The Daily Press
報西刺刊

Editorial and Business Office:
15-19, Queen's Road Central,
Tel. 3325.
Night Editor (Wanchai Office):
Tel. 24511.
London Office: 53, Fleet Street
E.C.4.

"WAIT AND SEE"
IN JAPAN

WHILE the immediate interest in the Russo-German conflict has centred round the reactions to this development in Europe and the United States, the strange twist which Herr Hitler's move has given to Japan's place in world affairs is only now beginning to be apparent. The position in which Japan has now been placed as a result of the Nazi invasion of the Soviet Union is decidedly an awkward one, since she admittedly has become involved in the closest contact with both of them, her commitments being such that she will find it difficult to make up her mind on the attitude she should adopt for the future. It is believed in some quarters that Japan's ties with her European partners are infinitely stronger than the conditions under which she accepted a pact of friendship with the Soviet, but it will be remembered that political circles in Japan looked upon Mr. Matsuoaka's success in bringing about this rapprochement with Russia as a brilliant diplomatic triumph. Faced now with the spectacle of her two friends engaged in a bitter struggle against each other in Europe, to all intents and purposes Japan has been forced into adopting a policy of wait and see—for what?

THE QUESTION immediately arises because of the repeated affirmations made by her leaders of the determination of their Government to honour the terms and conditions of the Tripartite Pact. Do these statements mean that Japan regards her pact with Soviet Russia as being of less significance to her foreign policy? The answer to this brings in a wealth of speculation, in which suspicion is uppermost as to what course Japan's military clique will decide to follow. Japan's habit of bluffing in order to create tension and uneasiness is well-known, but in nearly every instance of major importance she has shirked putting her loudly trumpeted threats and boasts into execution. It is in this attitude, therefore, that her present reactions are being considered, the prevalent idea being that she is in much too difficult a position to create trouble in the Far East and that any imminent danger to Malaya and the Netherlands East Indies has consequently been removed, at least for a time.

THE MANNER in which Japan has accepted her reverse in the trade negotiations with the N.E.I. indeed lends colour to this belief that wiser counsels are beginning to prevail in Tokyo and that it is being realised there that to involve Japan in a war in the Pacific would be suicidal. We sincerely hope so and we may add to that plausibility by hoping that Japan may be brought to the same way of thinking as regards her relations with China and decide to make an honourable withdrawal and full restitution to the Chinese if she wishes to regain the respect of the world. At the

meeting of the Legislative Council next Thursday afternoon, Hon. Mr. M. K. Lo, C.B.E., will ask the following questions:

Will Government make a statement on the appointment of a lady assessor from England for the War Revenue Department with particular reference to the following points:

1. In view of the evacuation why was it considered necessary to send a lady officer out from England to Hongkong?

2. Whether any efforts were made to secure a suitable candidate locally or from among the evacuees?

SUBSCRIPTIONS
TO WAR-TIME
BONDS\$15 Million Expected
To Be Raised

The campaign soliciting subscriptions to the Chinese Military Supply Bonds is proceeding apace and more than \$15,000,000 worth of the bonds is expected to be subscribed to by the end of July, according to a responsible official of the Hongkong Chinese War-time Bonds Committee.

More than 500 units of local Chinese public organisations have been mobilised for promoting the campaign and satisfactory results have already been achieved.

The Committee, it is learned, yesterday received a letter from the China Benevolent Association in Lethbridge, Canada, enclosing a remittance order for \$115,000 (Chinese Currency) for the purchase of the Bonds.

The Chinese Manufacturers' Union here has solicited subscriptions of \$157,000.

FALL TO DEATH

A man, Tan Chen, 20, fell to his death from the fourth floor of No. 77, Tong Mei Road, Mongkok district, about 1.30 a.m. yesterday. He died in hospital at 11.40 a.m., both his legs having been broken in the fall and his skull, it is suspected, fractured.

He had partly broken his fall by clutching at the electric wires strung by the house and had pulled these down a distance of 70 yards on each side.

His hands were badly cut and burned.

same time, the links in the chain which bind Tokyo to Berlin and Rome continue to clank disturbingly. It is this contact with the Axis that fails to allay suspicion and only a declaration of complete disassociation from the Tripartite Pact will convince the world that Japan has taken heed of the writing on the wall.

UNTIL SUCH a gesture is forthcoming, it would be imprudent to regard Japan as having faded out of the political picture. Close observers see in the very passivity of Japan's acceptance of her failure in the N.E.I. talks fresh ground for suspicion.

After all, they argue, these talks were in the economic sphere—what of her political plans, now that Germany and Russia are at war? These

plans will undoubtedly have to be altered and the changes for the moment may mean the postponement of her southward expansion, which will, in theory, invest Malaya and the Netherlands East Indies has consequently been removed, at least for a time.

THE MANNER in which Japan has accepted her reverse in the trade negotiations with the N.E.I. indeed lends colour to this belief that wiser counsels are beginning to prevail in Tokyo and that it is being realised there that to involve Japan in a war in the Pacific would be suicidal. We sincerely hope so and we may add to that plausibility by hoping that Japan may be brought to the same way of thinking as regards her relations with China and decide to make an honourable withdrawal and full restitution to the Chinese if she wishes to regain the respect of the world. At the

possibility of Japan delivering a similar stab at Russia must not be overlooked. Chinese circles insist on attaching greater significance to this possibility than anything else in the new development and Japan's "wait and see" policy may be designed to see just when that stab at Russia may be most effectively delivered.

CORRESPONDENCE

EXPORT CONTROL
HARDSHIPS

[The Editor, Hongkong Daily Press]

Sir,—In your morning contemporary, an inch of space was devoted under the caption "Philippine Exports" to the effect that the Russo-German war will result in considerable easing up of export control since it will now be impossible to tranship goods to Germany through Siberia.

This news has brightened hopes amongst local merchants engaged in intercoastal trade, hoping the local authorities may also decide to revise their strict control of exports from Hongkong to permit a resumption of normal business, and to re-establish the importance of Hongkong as a "clearing house" or transit port.

We see daily in the papers of smuggling being organized on a large scale and small, but there is no way of computing the extent of success achieved through these subversive activities beyond the fact that operations are still considered profitable despite the frequent cases brought to book through "information received."

While bona-fide merchants do not question the necessity of exercising some control of exports of goods which could be of benefit to the enemy, the local Controller of Trade Office has been dealing with unnecessary severity in most cases by ignoring the soundest considerations which merchants may submit in support of their applications for export licences for all kinds of goods, irrespective of the merits of each individual case.

Continually, it has been either "refused" (without reason given) or "British Consular Certificate is required" (a special concession). In innumerable cases, when such certificates are finally obtained after considerable difficulty, the applications are still refused—and no satisfaction given.

Accustomed as we are in Hongkong to accept the high-handed manner in which our common rights are abused under the omnipotent cloak of "emergency measures," merchants are not in the minority who view with misgivings the present unhelpful attitude of the authorities, and the serious setback to a important aspect of the dwindling trade of Hongkong.

The object of this letter, however, is neither intended to vent grievances nor to reprimand against the hardship merchants have had to endure. It is written with the earnest and sincere hope that it will come to the notice of the authorities and persuade a reconsideration of their present attitude, and in the light of the new developments which justify the easing of export control in the Philippines, that Hongkong will follow suit in a spirit of collaboration, and regain a portion of the transit trade which has, incidentally, diverted to other points in no little proportion.

Yours, Etc.,
ADAM.

GOVERNMENT PRICE
CONTROL POLICY
A WASH-OUT

[The Editor, H.K. Daily Press]

Sir,—At the meeting of the Equitable Rice Sales Fund Committee, held at the Medical Headquarters on Monday, it was revealed that a letter had been received from the Rice Controller informing the Committee that, as the price of rice has been increased by Government, that body was to sell their stock at the new price of \$17 per picul instead of \$14.80!

To the credit of the Committee it decided to reply to the Rice Controller to the effect that as the Committee was not formed to sell rice on a profit-making basis, it

should be permitted to dispose of its stock at the old price.

The above would appear to lend weight to the argument that Government's price control policy is a wash-out in that it fixed the minimum selling price and NOT the maximum, although the notices issued by the Food Controller invariably give the prices as latter.

As an example: a certain brand of butter was being sold by the provision stores at \$1.16 per pound. A Government order was issued fixing the maximum price for that brand at \$1.25. The result was that the "compradores" immediately put the price up to that maximum!

HARD HIT.

SIR FREDERICK WHYTE SAYS—

TIME GAINED BY GERMAN
ATTACK ON RUSSIA MUST
NOT BE WASTED

"There are people who say that time is on our side. If you put it just that way, it is not true. It is only true if we use every moment of this time to speed up our production and to keep our seas open," said SIR FREDERICK WHYTE, K.C.S.I., and former Political Adviser to the National Government of China, when he broadcast from London on Wednesday on the reasons which led Herr Hitler to embark on his campaign

chances will have narrowed down. "That is not wishful thinking or guess work," continued Sir Frederick. "It is plain fact. But there are other factors—one affects us and the other affects the Germans. What affects us is the Battle of the Atlantic, which sways now in our favour and now in favour of the Germans. That is our main concern."

"Herr Hitler's attack on Russia is, of course, the news of the moment," said Sir Frederick. "But to us here in London, it is not as great a surprise as his original pact with Russia in August 1939. TRUE TO FORM

"In this new attack, the German Fuehrer is running true to form in the manner of his breach of faith and in the suddenness of the attack. You will remember that in 1934, in a speech to the Reichstag, Herr Hitler said: 'Perhaps I shall not be able to avoid an alliance with Russia. I shall keep that as my trump card, but an alliance with Russia will not prevent me from attacking Russia when my aims in the west have been achieved.'

"If Herr Hitler had been talking to his Reichstag in 1940, instead of in 1934," continued Sir Frederick, "he might have said: 'I shall attack Russia, not after my aims in the west have been achieved, nor because they have been achieved, but in order that my aims in the west can be achieved.'

"Here we can see that the experience of the war has compelled Herr Hitler to put his aims into a different order. What we ask is what difference does it make to the final result that Herr Hitler has turned east before he has settled his final account in the west?"

THE DIFFERENCE

"The immediate difference is that we are being given a little longer to brace ourselves for the final round. I heard two fire-watchers talking about this on the street the other day. One said: 'What a wonderful opportunity this is for us.' 'What for?' asked the other. 'Why, to pile up arms, while he is busy with Russia,' was the reply.

"That was London's first reaction to the news—the sensible one too. When the world heard Mr. Churchill telling us that is the fourth turning point of the war, it was clear that he had this very same view in mind.

"Herr Hitler never meant to leave Russia alone, but he has always regarded the liquidation of the Soviet as the climax of Nazi policy in Europe. His onslaught on Sunday must be taken now as another step towards the climax of subjugating Britain.

ROUND-ABOUT ROUTE

"Is this change of direction a technical move in his strategy or is it a sign that his time-table has gone wrong? Perhaps it is both. Since the failure of his onslaught against Britain last August, he has taken a round-about route to reach us. He may have reminded himself that the longest way round is the shortest way home, but he has certainly chosen rather a long way, shortened perhaps by the speed of modern armaments, but the longest nevertheless.

"His aim is still the Suez Canal by making an immense sweeping move through the Black Sea. In that movement he may succeed, but there is many a slip twixt the cup and the lip. But should he succeed in his plan, he will be able to pick up all he needs for his war machine from the Russian oil and grain fields.

"This is an emperor's dream. The weight and speed of the German attack may make it a reality, but how long will it take to accomplish? No one knows—literally no one, not even Herr Hitler and his General Staff. But one thing we do know and that is that we have earned a space of time which most of us did not expect.

TIME FACTOR

"There are people who say that time is on our side. If you put it just that way it is not true. It is only true if we use every moment of this time in the right way in speeding up our production and in keeping our seas open. If we use the space of time Herr Hitler has given us well, British and American production will reach such proportions that by the time Herr Hitler turns round again, his

marriage took place on June 14, at the Church of Christ the King, Shanghai, by Rev. Father McGrail, of Alberto Antonio Basto Da Silva, eldest son of Mrs. Etilvira Azedo Basto da Silva, to Angela Maria Collaco Rollo, eldest daughter of Mr. and Mrs. Joaquin P. G. Rollo.

NEWSSETTES

His Excellency the Governor has kindly consented to distribute the awards at the annual Prize Day of St. Stephen's College, Stanley, on Saturday, July 12, at 4.15 p.m.

The forthcoming marriage between Mr. Tse Chi-kong, merchant, of No. 8 St. Francis Street, and Miss Kong Ying-wa, of No. 18 Chinese Street, was announced at the Registry, Supreme Court, yesterday.

There was a good attendance at St. Andrew's Hall last night when Mr. E. C. Thomas gave an interesting "Travel Talk" illustrated by lantern slides.

At the Country Hospital, Shanghai, on June 20, a son was born to Judith (nee Zirinsky) wife of Mr. W. J. Crichton.

The death occurred on June 20, suddenly at his residence, in Shanghai, of Reginald Joseph McGregor, late of McGregor Iron Works, Ltd., in his 27th year. The funeral took place at the Hungjiao Road Cemetery on June 23.

The death occurred on June 21, at 154 Tifeng Road, Shanghai, of Mary Jane Shewring, aged 72 years, of the Christians' Mission, Ningpo.

The death occurred on June 17, at her home, Lane 132 House K-22, Park Road, Shanghai, of Mrs. Sul Ying

AMERICA'S PREPARATIONS: PRODIGIOUS PROGRAMME FOR NAVY AND ARMY

The American Navy is indeed ready, within the limits of Mr. Stimson's meaning. He meant Atlantic convoy, and the Navy has the ships for that duty in itself. But he did not mean that the U.S. Navy was ready to take on all the Axis powers in two oceans states "Time," If it were, the U.S. would not now be desperately building a second ocean Navy which is four to six years from completion.

"Under construction" in the enough for modern war, only such a war can tell.

ONE BLUNDER

The Navy's one big admitted blunder has been its longtime failure to provide protection for anti-aircraft gun crews on the decks of its vessels. Col. Frank Knox said last month, "Our officers appreciated the possibility of air attack, but their failure to translate the appreciation into protection for the ships is the one real miscalculation they made during the 20 years of peace." This miscalculation of the effectiveness of aircraft also was mirrored in the failure of the High Command to provide as much aircraft equipment as a modern navy should have.

The Navy's programme is going fairly well because it got started in peacetime, but naval constructors now see harder days ahead. Competing for limited U.S. shipways are 661 seagoing commercial vessels.

Two of the battleships (Washington, North Carolina, both ordered in 1937) will go into service this year, the last not until 1945 or 1946 at best. Actually under construction in shipyards are 69 of the 362 naval vessels on order. Technically under construction (i.e., plans are being drawn, parts manufactured) are 260 more of the 362.

The Navy's programme is going fairly well because it got started in peacetime, but naval constructors now see harder days ahead. Competing for limited U.S. shipways are 661 seagoing commercial vessels.

The machine-tool bottleneck caused by aircraft and ordnance speed up is beginning to tighten on the Navy. Naval shipbuilders are expanding 50 per cent, 100 per cent 200 per cent. Said a worried admiral: "It won't be enough, I'm afraid." In moral, in guts and ability to fight with what they have, the Navy's officers and men cannot be excelled. The quality of its command, the planning and execution of the construction programme are all high by the Navy's accepted standards. Whether those standards have high

BETHLEHEM YARD WORKERS RETURN

SAN FRANCISCO June 26 (Reuter)—Workers at the Bethlehem shipyard here who have been on strike since May 10, today voted to return to work in all yards on Monday next.

Machinists of the Bethlehem Steel Company will be allowed to negotiate a separate contract.

It was stated last Saturday that the United States Navy would take steps to bring the yard into full production and that they would have the support of the Army.

COLONIAL GIFTS TO WAR EFFORT

LONDON, June 26 (BWS)—Disregarding the interest on free loans which amount to £1,800,000, Colonial Governments contributed £14,353,034 as money gifts to the war effort from its own revenue or reserves.

This was stated in a Parliamentary reply by the Colonial Under-Secretary who added that a substantial new or increased undertaking has been entered into by Colonial Governments but the amounts involved have not yet been precisely stated.

AMERICAN PILOTS FOR R.A.F.

LONDON, June 26 (BWS)—Further parties of young American pilots have just arrived in Britain to form sister squadrons of the original Eagle Squadron.

Since the first Eagle Fighter Squadron of the R.A.F. was formed last autumn, numbers of young Americans have volunteered to fly and fight with the R.A.F.

Among the last batch to arrive were U.S. citizens from Ohio, California, Maryland, Texas, Colorado and one from Canada.

Before crossing the Atlantic they had to undergo initial flying and pass flying tests as pilots.

BADMINTON FOR SOLDIERS

LONDON, June 26 (Reuter)—Once football has closed down, the authorities responsible for sporting activities among the Allied armies at present in Great Britain are confronted with a problem as few show much interest in England's national summer game of cricket.

Lawn tennis, however, is popular as is also badminton, and responsible officials are giving every encouragement while the British public is helping by supplying equipment and balls for these pastimes.

25-YEAR-OLD NEWCOMER TO FAMOUS POLISH SQUADRON

LONDON, June 26 (BWS)—A 25-year-old newcomer to a famous Polish squadron opened his score in the first offensive sweep on Monday by shooting down one ME-109 and probably a second.

In the second day he destroyed three—the third one he rammed cutting off its tail with the propeller of his Spitfire after all his ammunition was gone.

He is now in hospital suffering from a cut forehead and broken collar bone. His squadron was acting as escort in an attack on a target in Northern France. When 50 miles inside France at 14,000 feet, a ME-109 flew in to attack.

Wheeling round, he fired five bursts with his cannon. The third burst blew the enemy into tiny pieces. The Polish pilot was about to take up the position in the squadron when he saw a ME-109 attack a comrade. He fired two short bursts at the ME 109 which started a dog fight.

SHORT BURST

When he turned away, the Polish pilot chased after him. A short burst sent the enemy down in flames. Again the pilot attempted to rejoin his squadron over the Channel but was attacked by another ME 109.

When the Pole realised he had run out of ammunition, he turned sharply inside the 109 and rammed it cutting the whole of the communications with the mother country is seen as a serious problem.

His windscreens was covered with oil and a broken fragment from the enemy got him in the face. He made for the English coast blinded by blood which poured from the wound and landed in a small field.

The aircraft struck a telegraph pole and in the crash, he broke his collar bone. By his success he brought the squadron's score to 151 destroyed since the last day of August, 1940.

ROUND-THE-CLOCK AIR ASSAULTS

HITLER was now finding himself fighting an air war on two fronts which was a wonderful opportunity for us, said Major Allen Murray, when he broadcast from London last night.

We have taken the offensive in the air before this but we must be round-the-clock over Germany and the enemy occupied territory.

Two-hundred to 400 bombers were being sent over a night including many of the new ones from the United States.

During daylight raids the enemy's losses were five planes to every one of ours.

DISTURBANCES IN MADRID

HOARE'S REPORT

LONDON, June 26 (Reuter)—The British Ambassador in Madrid, Sir Samuel Hoare, has now reported to the British Government on his conversation with the Spanish Foreign Minister, Senor Suner, regarding the disturbances outside the British Embassy in Madrid and on the protest which Sir Samuel Hoare's report.

The British Ambassador received certain assurances from Senor Suner, but it is added in London that it is not possible at the moment to go into details, as there has not yet been time for full consideration of Sir Samuel Hoare's report.

MORE MINISTERS IN AUSTRALIAN CABINET

CANBERRA, June 26 (Reuter)—Announcing the enlargement of his Cabinet, the Australian Prime Minister stated that separate Ministers had been appointed for supply and development, and munitions and new Ministers appointed for aircraft production, industry and war organisation, and home security.

NATIONAL SERVICE CONSCRIPTION

CHUNGKING, June 26 (Reuter)—All graduates of medical, dental and nursing schools this summer will be conscripted for national service, the Government announced.

The Army in the field is a great school force, whose officer-teachers themselves have to be taught.

Given equipment, given time, given competent command, the job ahead, can be done, but so far it has only been begun.

NAZIS STRANDED IN JAPAN

EMBASSY OFFICIALS IN QUANDARY

TOKYO, June 26 (Reuter)—German Embassy officials in Japan are scratching their heads over ways and means of taking care of Germans stranded in Japan as the result of the closing of the Siberian route.

Aside from a large number of more or less permanent residents which have been largely increasing in recent years, almost 100 German travellers registered at the Imperial Hotel alone, while approximately 150 members of German Consulates in the United States are due to arrive in Japan soon.

Additionally, 50 to 60 members of German firms in South America are expected to come to Japan and more than 400 German women and children are scheduled to evacuate from the NEI to Japan.

ECONOMIC MISSION

At present there are also several groups of official business including the Nazi economic mission headed by Herr Wolthat as well as others representing the German Propaganda Ministry and other interests.

The German Embassy authorities feel that German residents are capable of accommodating a great majority of those without definite means of livelihood but if the war becomes drawn out the lack of communications with the mother country is seen as a serious problem.

WOPS LEAVE FOR SOVIET FRONT

ROME, June 26 (Reuter)—Signor Mussolini flew to Verona today to inspect an army division which is preparing to leave for the Russian front. He piloted his own plane.

Mussolini said that he had come to review the troops "before an event which would remain memorable in the experience of the soldiers, for it is probable that they will fight against Soviet Russia, the mortal enemy of civilisation."

Mussolini was accompanied by General Cavaliero, Commander-in-Chief of the Italian Army, and General von Rintelen, German Military Attaché in Rome.

BIG U.S. NAVY ORDER

2,831 VESSELS

WASHINGTON, June 26 (Reuter)—The United States Navy has ordered 2,831 vessels, to the cost of \$2,234,000,000, since the beginning of the last war, stated the Secretary for Navy, Colonel Knox.

So far, 775 ships have been completed, comprising 337 combat vessels of 1,250,000 tons, 154 auxiliary vessels, 105 minecraft, 144 patrol vessels and 35 other craft.

MASS BRITISH RAIDS

LONDON, June 26 (Reuter)—The 9,000 ton German liner Elbe, which has been sunk by British aircraft in the Atlantic, was undoubtedly one of the Bismarck's supply ships.

She is the eighth enemy supply ship which has suffered the same fate as the battleship Bismarck.

The Elbe left Tokyo in February.

RESULTS HAVE BEEN A GREAT IMPROVEMENT TO THEIR PERFORMANCE IN SPEED, HEIGHT AND OTHER WAYS.

Re-engining the ME-109 and giving it new wings and better streamlining may be regarded as the Germans' contribution to the contest of improving existing types.

An interesting feature of the new ME is the way the armament is now distributed. Wing guns have been dropped and all it has is one cannon of 16mm firing through the aircrew hub, and two small bore machine guns mounted on the fuselage.

It is obvious these various improvements will result in a higher ceiling and better performance at a height.

SEVERAL MODIFICATIONS

Britain's own single-seater fighters, Hawker Hurricane and Vickers Spitfire have undergone several modifications since the war began.

Graduates are to report for duty one month after graduation.

NAZI PUBLIC AND FAR EAST

CHUNGKING, June 26 (Reuter)

During the present war the German people have shown little interest in Far Eastern developments while the Nazi Party members look down upon China and defend Japan's actions, claims a special article published in today's official CENTRAL DAILY NEWS written by a Chinese who recently returned from Germany.

In this connexion, according to the article, the Germans may be divided into five groups:

Firstly, those completely uninterested;

Secondly, those who are non-committal;

Thirdly, those who are sympathetic to China;

Fourthly, those who are ignorant of Chinese affairs, but wish to hear the Chinese viewpoint; and

Fifthly, those who blindly follow the German Government's policy, thereby looking down on China and defending Japan's action.

The first group forms the majority of the German public and the fifth group is the next largest, the article adds.

Value Of Economic Help Allies Can Give Russia Keenly Discussed

LONDON, June 26 (BWS)—THE VALUE OF THE ECONOMIC HELP THE ALLIES CAN GIVE RUSSIA IN THE PRESENT CONFLICT IS KEENLY DISCUSSED IN INFORMED CIRCLES HERE where the question is regarded as second only in importance to that of the Soviet's capacity to contain Germany's vast military offensive.

The two questions are in fact closely related. If the Russians succeed in holding the Germans, the economic consequences will be extremely damaging to the invaders.

Lost already are all supplies from Russia and lost are all supplies from the East via the Trans-Siberian Railway. Particularly damaging will be the loss of petroleum and lubricating oils.

If the Germans succeed in occupying parts of Russia, their gain depends on firstly, how much territory they occupy, second how quickly and third, in what state they find the territory.

ACQUIRE VERY LITTLE

Should the Germans obtain possession of the Ukraine and the Caucasus only after a delay of six or eight weeks, they will probably acquire very little of the 1941 har-

vest.

Regarding agriculture, the effect

in the war of Stalin's farm collectivisation policy is all to the disadvantage of the Germans. Not only must precious German oil be diverted to keep farms going—

since the Russians have not enough horses to replace mechanised equipment, but complete reorganisation of agriculture

will be necessary.

CENTRAL SYSTEM

Collective farms are worked on a central planning system of raw materials, equipment and management, and so on being obtained from central points and if the Russians shall have taken the precaution to remove keymen and specialists, the Germans will have to import anything to a quarter million men including agriculture managers, book-keepers, storemen and many other grades.

As for minerals, if the Germans need iron ore and having the shipping available, they can get it. If they reach the Urals, there is pig iron and steel. But can the Germans restart the industrial machinery and management?

Unless they complete their task very quickly and unless the Russians—an unlikely event—leave the organisation in all forms intact, the Germans' venture during the next 12 months will entail a big loss.

ENTIRE GERMAN WAR MACHINE

Continued from Page 1

RUSSIANS RETAKE PRZEMYSŁ

MOSCOW, June 26 (Reuter)—While German tanks have broken through the Russian line in the northern part of Soviet-occupied Poland, the Russians have retaken Przemysl in the south, according to a communiqué issued by the Soviet Information Bureau today.

Yesterday, the communiqué declared, German mobile forces launched an offensive in the area of Vilna (Wilno) and Baranowicz (Baranowicze), about 120 miles south of Vilna.

Large Soviet air formations successfully fought enemy tanks in this region, it is stated.

German attempts to break through in Lemberg (Lvov) and Brody (about 55 miles north-east of Lemberg) directions are meeting strong resistance by counter-attacking Soviet troops supported by powerful air forces, and the enemy's mechanised formations are suffering heavy losses.

SWIFT COUNTER-ATTACK

The fighting is continuing. In a swift counter-attack, our troops recaptured Przemysl (about 60 miles west of Lemberg on the San River which forms a line of demarcation in Galicia).

In the region of Czernowitz (Cernauti), capital of Bukovina, our troops repulsed strong attacks by the enemy who attempted to cross the Pruth River.

In the Bessarabian sector, Soviet forces firmly hold positions on the eastern bank of the Pruth and repulsed numerous attempts to cross the river in the region of Sculeni (on the Pruth about 60 miles north-west of Kishinev).

The Germans tried to advance but suffered heavy defeat and their remnants are being pressed beyond the Pruth. A number of German and Rumanian troops were taken prisoner.

While Berlin was again as terse as ever in its communiques, barely announcing that everything was progressing according to plan, Moscow issued another fairly lengthy statement claiming various successes including the recapture of Przemysl, about 60 miles west of Lemberg on the San River.

PAUCITY OF NEWS

ANKARA, June 26 (Reuter)—There is a great paucity of news here about the Russo-German war; the Russians following their usual lines of only giving out official Tass Agency reports.

The Germans here, however, today admitted that in the southern fighting they have not met the main Russian forces.

Observers believe that the Russians have not had time to

LAMMERTS AUCTIONS

PUBLIC AUCTION.

THE Undersigned have received instructions to sell by

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on

Friday, the 27th June 1941

commencing at 2.30 p.m.

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A QUANTITY OF VALUABLE HOUSEHOLD FURNITURE

comprising—

Wooded Drawing Room, Bed Room, Dining Room and Office Furniture, Ice Chests, Carpets, Rugs, Ornaments, Cutlery, E.P., Brass, Glass and Porcelain Ware, Gramophones and Records, Filter, Wardrobe, Trunk, Cooking Utensils, etc.

also

A FEW PIECES OF BLACKWOOD FURNITURE

and

- 1 Frigidaire
- 1 Radio gram "Pye"
- 2 Ceiling Fans

View from Thursday, the 26th June, 1941

Terms Cash on Delivery

LAMMERT BROS., AUCTIONEERS.

PUBLIC AUCTION.

THE Undersigned have received instructions from The Marshal in Prince, Supreme Court,

to sell by

PUBLIC AUCTION

on

Saturday, the 28th June, 1941.

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Godown No. 7 of The Holt's Wharf, Kowloon

23 Barrels Gum Rosin

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For gate passes apply to—

LAMMERT BROS., AUCTIONEERS

SUMMARY COURT ACTION:

Indian's Claim For Return Of Money Lent Non-Suited

"IF YOU ARE FOOL ENOUGH TO LEND MONEY WITHOUT GETTING AN ACKNOWLEDGMENT FOR IT YOU MUST SUFFER THE CONSEQUENCES." Mr. Justice P. E. F. Cressall told Ghulam Yusuf, watchman, the plaintiff in an action at the Summary Court yesterday, claiming for the return of money lent, and in which his Lordship directed a non-suit.

Yusuf claimed from Mahmood Khan, another watchman, of No. 5, Queen's Road Central, the sum of \$345, being balance due for money lent. Plaintiff alleged that altogether he had lent defendant \$595 of which \$250 had been repaid by defendant. He also claimed costs of the action.

Plaintiff was represented by Mr. M. A. da Silva and defendant by Mr. Alfred S. K. Lau.

Yusuf, in evidence stated he had known defendant for some 14 or 15 years. In October, 1929, defendant told him he had to go back to India but could not do so unless he repaid some debts, and asked him for a loan. In all, on various occasions, he lent defendant the sum of \$40 which defendant promised to remit from India by sending some property there.

In June, 1931, witness received a letter, acknowledging the former loan of \$40 and asking for a further loan of \$70 or \$80, but this was refused. Defendant came back to Hongkong in 1933 and borrowed \$150 to go to Shanghai.

REPAYMENTS REFUSED

From 1937 to 1938 defendant repaid \$245 and when witness asked

ROUND THE POLICE COURTS

AT CENTRAL

MANSLAUGHTER CHARGE

Hearing of a manslaughter charge against Chan Ng, 62, unemployed, was fixed for July 9 at 2.30 p.m. by Mr. H. G. Sheldon, K.C., yesterday.

Defendant, who was allowed \$100 bail, was alleged to have unlawfully killed one Chan Sing-kwai at the Whitty Street works of the Hongkong and China Gas Company on June 14.

Det. Sub-Inspect C T Byron is in charge of the case.

NO EVIDENCE OFFERED

The Police not offering evidence, five men charged on two counts of armed robbery were discharged by Major A N Macfadyen yesterday.

Defendants were Kwok Chung, 29, unemployed, Ng Ming-ho, 28, unemployed, Chan Ming-kam, 24, boarding house runner, Li Kam-sing, 24, unemployed, and Chan Hing, 27, boarding house runner.

Det. Sub-Inspect C T Byron was in charge of the case.

DECISION RESERVED

Decision was reserved until Saturday at noon by Major Macfadyen yesterday in the case in which three persons described as brokers Ip Nat-fong, 65, Ip Kwa-chi, 54, and Pau Hin, 60, are charged with larceny by a trick of \$1,570 from one Lam Hong at the Golden City Restaurant, Queen's Road Central, on June 11, when hearing was concluded.

Det. Sgt. W Summers prosecuted.

POSESSION OF DRUGS

Owing to insufficient evidence Wong Man-nuen, 35, accountant of the Sun Tol Shan Boarding House, No. 152, Connaught Road Central, charged with unlawful possession of 1,000 heroin pills at the boarding house on May 4, was discharged by Mr. Lowry yesterday.

Mr. C A Sutherland Russ appeared for the defence and pleaded not guilty.

Senior Revenue Officer W V Ahern prosecuted.

INDECENT ASSAULT

A fine of \$50 or two months' hard labour was imposed by Major Macfadyen yesterday on Ip Yee-po, 40, earth cooler, on a charge of having indecently assaulted a 19-year-old apprentice printer, Ng Cheong-ho, in the hillside near Devon Road, Gough Hill, on June 25.

Sgt. G. Willerton prosecuted.

COMPLAINANT IN HOSPITAL

Man Shu, 31, carpenter, was remanded for 48 hours by Major Macfadyen yesterday on a charge of having assaulted Ku Ying-pui, causing him grievous bodily harm, at No. 530, The Peak.

Sgt. G. Willerton, who is in charge of the case, informed the Court that complainant was still being detained in hospital.

HUNGER PLEA SUCCEEDS

Pleading guilty but saying that his stomach had been empty for two days, a 45-year-old unemployed, Chu Leung, was discharged with a caution by Mr. G. T. Lowry yesterday on a charge of larceny of three pounds of bread from a tricycle at Bonham Strand East on June 25.

Accused pleaded guilty, and stated that he obtained the bread from No. 5, Bonham Strand East.

Sentence of six months' hard labour and \$2,500, or an additional six months' hard labour in lieu of the fine, was passed. Accused was also recommended for banishment.

HEROIN PILLS

Ma Sik-pang was formally charged before Mr. Houston yesterday with the possession of 2,000 heroin pills at the Cheung Chau Ferry Wharf on June 25.

A remand of seven days in gaol custody was ordered by his Worship.

Sgt. Inspector McMahon prosecuted in both cases.

plaintiff as he could not read or write. He denied having any conversation with Abdul and Noor Dad.

HALF COSTS

His Lordship said that to his mind there had been financial transaction between the parties. He was satisfied that plaintiff had advanced a certain sum of money to defendant but plaintiff had to satisfy him what certain sum was owing. He said that plaintiff had failed to satisfy him that defendant owed the amount claimed for not to sue him and that he agreed to pay plaintiff \$25 per month.

Defendant denied that he ever borrowed \$440 from plaintiff in 1939. He did not leave for India as he was employed in the Kowloon Wharf and Godwin Company. He did not borrow money from plaintiff in 1924 as he was in Shanghai and did not write to

GENERAL

All-Embracing Struggle: Hitler Must Be Beaten At All Costs

It is true that Hitler must be defeated at all costs. While the Nazi menace still exists, the whole world is prevented from putting its affairs on a reasonable and equitable basis. We are all in the position of citizens whose town is partly occupied and dominated by a ruthless armed gang. Thus we have all to turn ourselves into vigilantes. There is no other possible course, writes J. B. Priestley in "Life." People who say it is no affair of theirs are either potential fifth columnists or escapists hiding behind other people's backs.

Some of us have been saying these things not only since the war started but also for some time before the war, when it was obvious that sooner or later the Nazi challenge would have to be stoutly answered.

NOT GOOD ENOUGH

But some of us too have been compelled to point out since the war began that merely to say we are fighting for our existence and to leave it at that is simply not good enough. It is a dangerous over-simplification of the issue.

Undoubtedly we are fighting for our existence, but for our existence as what? For example, are the British people battling and tolling and suffering as they never did before only to preserve a miserable faulty system, to keep huge unemployment figures, wretched slums, the control of

policy by vested interests, the privileges of the rich? Nobody, of course, dares admit this. We are told that everything will be different after the war. Just get on with the war, they say to us, and stop worrying.

SUDDEN CHANGE

But we are bound to be rather cynical about some of these gentlemen (not Mr. Churchill, who, it will be remembered, was completely out of favour with our pre-war ruling clique), for we have been hoodwinked before. We cannot help suspecting this sudden change of heart, which only came when the country was in immediate danger. Why should these men, who were so obtuse and self-centred before the war, have changed so completely?

And that is only the beginning of our doubts. We are now engaged in that grim and all-embracing struggle known as total war. We cannot fight such a war properly without changing the whole economic and social structure of the country.

DIFFERENCE NEEDED

Even the man who only cares about defeating Hitler and does not give a rap for social justice has to recognise the fact that a Britain organised for total war has to be different from a peace-time Britain. Whether you like it or not, you have to make many profound changes.

Now though such changes may be dictated by the urgent necessities of the war effort, they can follow more than one line, and the line they follow will be laid down by the political convictions of those in power. Briefly, the issue is between those who wish to force the people and those who would trust the people, really between a disguised totalitarianism and a real vital democracy.

VITAL DEMOCRACY

In my opinion, it is necessary to bring into existence, within the limits of the war effort, a real vital democracy in Britain not only because social justice demands it but also because the war itself demands it. It is the very people here who, "Get on with the war and stop chattering about you'll win and plan," who are most likely to hinder us from winning the war. To begin with, they have no sense of a complete war strategy, in which civilian morale plays a very great part.

It is they who, by insisting upon regarding this war as a nationalistic affair and by loudly denouncing all Germans as such, have so often played into Goebbels' hands and helped him to line up the German people behind Hitler.

Again, it is on the shoulders of the ordinary folk of Britain that the chief burden of this war is falling. Fortunately their moral is high, but it is more likely to remain high, or even reach greater heights, if they are convinced that they are tolling and suffering not to preserve something faulty but to bring into existence a better quality of life for all their kind.

"STICKING IT"

The British are good; none better, at merely "sticking it," but there is a very difference between mere endurance and an ardent



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WHITE OR COLOUR STRAWS
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SIGHTLESS V.C. ADOPTS THE BLITZ-BLINDED

Five war-blinded civilians are learning to conquer despair and to make a fresh start in life under the care of Captain Sir Beachcroft Towse, the blind V.C.

Sir Beachcroft, now 76, has opened the greater part of his home, Long Meadow, Goring-on-Thames, as a civilian St. Dunstan's.

It will be eventually a training centre for between 16 and 20 people who have been blinded in air raids.

He talked to me of his present charges—four women and one man, writes Andrew Kidd in the "Sunday Chronicle."

BLINDED AND DEAFENED

"In one of the early bombings at Portsmouth, the man completely lost the sight of one eye, and has been left with only a glimmer of sight in the other," said Sir Beachcroft.

"Then he was in a second bombing, and was deafened.

"Despite these disabilities he is remarkably cheerful and is making an excellent job of sawing wood."

"From my own experiences I have learned that the best possible thin for blind people is to give them something to do."

REUNION SOON

There will soon be a reunion at Long Meadow of wife and husband, both blinded in an air raid.

"The wife, who is a mother of two children, is already with us," said Sir Beachcroft, "and her husband, who is still in hospital will join her as soon as he is convalescent."

Sir Beachcroft, who was blinded in the South African War, has since learned to play golf, to become an expert typist, and to do all kinds of handiwork.

STYMIED

A few restaurants in occupied France have signs "No Jews Admitted," among them a Russian restaurant in Paris. One evening, when it was full of German officers, two obviously non-Aryan men walked in and sat down.

The waiter was embarrassed. He asked them whether they had seen the sign, and they said "Yes" and calmly asked to be served. The waiter called the manager, and the dialogue was repeated.

Finally the manager asked a high German officer to talk to the two Jews. The officer also asked them whether they had seen the sign. They said "Yes," but did not budge—they just introduced themselves as members of the Soviet Embassy in Paris—Mrs. Jessica Hensley in N. Y. Herald-Tribune.

When they dined alone at Lowther Castle, Lord Lonsdale would rise at the end of dinner, glass in hand, and toast "The King." They would drink it together.

Then he would bow to his count-

ess, hold the glass high, and toast "The Ladies."

He would sit down and Lady Lonsdale, rising and bowing, would hold her glass to him, and say simply "The Gentlemen."

THE CONVOY ISSUE

U.S. Speakers Argue For And Against Sending America Into The European War

U.S. LOST IF THEY ENTER BATTLE

By Hamilton Fish

Member of the Foreign Affairs Committee of Congress

My position is simply this: I am in favour of all aid to the democracies consistent with our own national defence, but opposed to our involvement in European or Asiatic wars unless attacked. I am willing to maintain that position until the cows come home.

I do not believe that the European war is our war, or that we had anything to do with starting it. If it is our war, then we are a lot of cowards and cravens for not having been in it a year and a half ago.

Let us get the convoy issue straight. Convoys means shooting, straight shooting means war. The convoying of ships into the war zones is an act of war. The Secretary of the Navy Frank Knox, a well-known interventionist, made this emphatic statement before the House Committee on Foreign Affairs. It should be perfectly clear to every school boy by this time, that if the President orders our war vessels to convoy British ships or sends our own merchant fleet with war material to England, he would be deliberately putting us into the war. So after George Chairman of the Senate Foreign Relations Committee, said recently "I have always stood against conveying vessels by the American fleet," because conveying would lead us into actual war."

I am unwilling to believe that President Roosevelt has any intention of violating or repudiating his repeated promises and pledges to the American people to keep us out of war. Although I belong to the opposition party and have opposed many of the new deal measures, yet the President of the United States is my President as well as that of 130,000,000 other Americans.

PRESIDENT HASN'T RIGHT

I confess that the repudiation of such solemn promises, involving the lives of our youth and the security and destiny of America is inconceivable and unthinkable to me. Moreover, I do not believe the President has the right to order the convoying of ships into the war zones without the consent of Congress. The use of convoys, on the authority of the President, would be a deliberate attempt to drag us into war, and would make President Roosevelt the foremost repudiator of his word in American history. It would constitute a brazen betrayal of the millions of loyal Americans who had faith in his assurances and pledged word and voted for him.

Somewhere between 83 and 90 per cent. of the people, according to the various Gallup polls, are opposed to our entrance into war unless attacked. We are not in the war now, as some columnists and interventionists claim. That is defeatist and interventionist propaganda. No shots have been fired, no American ships have been sunk, no American has been killed and no attack has been made on the American flag.

No member of Congress, whether he voted for or against the Lend-Lease Bill, wants to see any of the articles for the defence of England sunk. If the sinkings get worse we could transfer more of our merchant ships to the British and possibly some more old destroyers for additional bases, but the responsibility for convoying and getting the war supplies across is up to the British navy. First last and all the time.

Between losing a shipload of war materials which can be duplicated, and losing a ship load of American boys who cannot be duplicated on this earth, there can be only one answer. If President Roosevelt takes this final step to war, by ordering without the consent of Congress and the American people the convoying of ships into the war zones, he and he alone will be responsible to God and country.

The American people should make their views known to the President and to their Senators and Representatives in Congress now. The only time to wage war against war is in peace. War would mean disaster to us—bankruptcy, untold bloodshed, and the end of American democracy.

The day we go to war we have lost, although we may be victorious in five or ten years at the expense of millions of lives, hundred of billions of dollars and the ruin of our country and its free institutions.

REPORT DISBELIEVED

I want to make it very clear that I do not believe the reports circulating in Washington, that the Administration has decided on policy of convoying lease-lend articles without the consent of Congress.

If, however, those reports turn out to be true, and the Pied Piper

PROPOSED U.S. LOAN TO BRITAIN

WASHINGTON, June 26 (Reuter) The Federal Loan Administrator, Mr. Jesse Jones, announced that he is considering a loan to the British Government.

Mr. Jones said that the Reconstruction Finance Corporation was studying the loan under a new law authorising such a loan and added: "The purpose of the loan would be to provide the British with dollar exchange to pay for war supplies in this country without having to sell their American securities and investments at a forced sale."

Mr. Jones did not name any amount, but in some quarters it is reported that the loan would be for "several hundred million dollars."

Reconstruction Finance Corporation officials, however, hinted that a small figure was contemplated at the start.

Mr. Jones said that the collateral of the proposed loan would include "direct investments and a wide diversification of stocks and bonds of corporations" in the United States.

THIRD DAY OF NAZI ATTACK

Continued from Page 4
of the fighting will probably be available immediately.

VILNA FALLS, REPORT

Another Reuter report from Vichy declares that according to the Hungarian official newspaper Post, the ancient Lithuanian capital of Vilna, which became incorporated in Russian-occupied Poland, has been entered by German troops.

Reuter also reports that gunfire has been heard from various places in the outer Stockholm area. Firing was also heard yesterday off the west coast.

GERMANS DRIVEN BACK

MOSCOW, June 26 (Reuter) How Soviet cavalry drove back the German and Rumanian troops who had crossed the river Pruth into Bessarabia from Galatz

midway between Jassy and Galatz — is described in a dispatch by a special correspondent of Investia, the official organ of the Soviet Government.

The correspondent says, "Our frontier guards made heroic efforts to prevent the crossing of the river but could not withstand the pressure of the enemy who had an enormous numerical superiority.

"Having concentrated a powerful force of infantry and tanks on the Soviet bank, the enemy began the offensive. It was necessary to deal him a terrible blow immediately.

CAVALRY CHARGE

"Bombers and fighters baled themselves as he crossed the frontier, raining down bombs. Numbers of enemy tanks were immediately destroyed and their infantry suffered heavy losses. Disorder broke out in the enemy ranks during this raid and, taking advantage, the Soviet cavalry charged their lines using their sabres and chasing the enemy back towards the bridge.

"The avalanche of cavalry destroyed all in its path and cleared the bridge of the enemy."

HELSINKI BOMBED

LONDON June 26 (Reuter) Moscow Radio announced that Soviet planes yesterday raided Helsinki, the capital of Finland.

BLACK SEA FLEET

LONDON, June 26 (Reuter) The Russian submarine flotilla in the Black Sea has recently been reinforced by Admiral Kuznetsov, Commander-in-Chief of the Russian Navy, according to news reaching Ankara, says the Independent French news agency.

This followed discussions regarding priority between the defences of the Baltic and the Black Seas. The Russians finally decided that the defence of the Caucasus was more important as a supply centre of the Red Army.

The Russians are said to be constructing underground aerodromes in the Ukraine with a view to avoiding the destruction of planes on the ground.

billions of dollars and the ruin of our country and its free institutions.

This issue, transcending all party lines and divorced from the repeal of the arms embargo, conscription, and the Lend-Lease Bill — and preliminary bouts to the principal event — is crystal clear:

FINANCE & GENERAL

WAR'S INCENDIARY BOMBS: POTENT WEAPON OF SIEGE AND ASSAULT

On war's new civilian front, the incendiary bomb has re-instated fire, in eclipse since the invention of gunpowder, as a potent weapon of siege and assault. According to Dr. J. Enrique Zanetti of Columbia University, who provided a demonstration for "Life," the Luftwaffe missed its chance to set all London afire by incendiary bombs before British fire defences were properly organized.

Like other weapons of the present war, incendiary bombs were first tested in World War I. It was then established that the magnesium thermite bomb is most effective.

THE INGREDIENTS

Ingredients are three common and useful metals, iron, aluminium and magnesium. Iron oxide and aluminium mixed in a granulated powder make thermite, which fills the magnesium casing of bomb Set off by a flash of priming powder, both thermite and casing combust in an intense flame that burns through metal and cannot be smothered or put out by water or chemical extinguishers.

Small thermite bombs sown by thousands at random are well adapted to German style of indiscriminate bombing. But the Germans failed to achieve the ultimate in incendiary bombing, the merging of many fires into a general conflagration.

POTENT WEAPON

By now, the defence of the British cities insures that no such conflagration will get started. Incendiary bombs, nonetheless, remain a potent weapon for harassment and help guide high explosives to their objectives.

Because magnesium is itself an incendiary, it collaborates with thermite powder to make the most efficient possible incendiary bomb. The two materials complement one another to defeat the two chief methods of fire fighting.

Thermite flames cannot be killed by smothering, while magnesium burns readily in standard chemical extinguisher and even sets water itself on fire. With big asbestos "snuffers," however, the flames can be restricted until they burn themselves out. British scientists more recently have developed a chemical sand extinguisher which blankets the burning bomb with oxygen-excluding slag.

RANDOM DISTRIBUTION

Effective incendiary bombing calls for random distribution of 14-in. 2-lb. bombs. In a city like London, in which the ratio of buildings to open space is one to four, not more than 20 per cent. of the bombs, dropped ten or twenty at a time in "Molotov bread-baskets," can be expected to take effect.

Chance duds and well-organized defence reduce the percentage further, so that not more than one in twenty bombs is likely to start a really troublesome fire.

Most spectacular British contribution to incendiary warfare were the "calling cards" dropped by British bombers over German farmlands last autumn. These were discs of absorbent paper, impregnated with a solution of phosphorus and dampened with water.

Harmless as long as it is kept moist, the phosphorus bursts into flame as soon as the water has evaporated.

"CALLING CARDS"

Scattered far and wide in the open country, "calling cards" offer a potent and hard-to-control weapon against the enemy's crop and forest resources. Printed with intriguing messages, they may burn curious citizens and even be carried innocently into houses, setting them afire.

An important element in incendiary bombing is variation of materials for purpose of confusing defenders. As demonstrated by Germans in attacks on London, this calls for the occasional use of less effective oil bombs, which require different extinguishing techniques.

Blunt-nosed incendiary bombs, dropped from altitudes above 5,000 ft., strike at speeds of about 380 ft. per sec.

They do not usually penetrate below attic floors and thus start most of their fires on roofs or in upper stories. Still to be exploited is a wide variety of incendiary chemicals which may come into use with increased demand for aluminium and magnesium in their more constructive functions.

This followed discussions regarding priority between the defences of the Baltic and the Black Seas.

The Russians finally decided that the defence of the Caucasus was more important as a supply centre of the Red Army.

The Russians are said to be constructing underground aerodromes in the Ukraine with a view to avoiding the destruction of planes on the ground.

billions of dollars and the ruin of our country and its free institutions.

This issue, transcending all party lines and divorced from the repeal of the arms embargo, conscription, and the Lend-Lease Bill — and preliminary bouts to the principal event — is crystal clear:

SAY
Gordon's
...and know
what you're
drinking!



NO COLOURING MATTER
NO INJURIOUS INGREDIENTS

BRITAIN'S FISH SHORTAGE

Government Move To Prevent Profiteering

SALES	China Lights (O)	200	\$ 6.05
China Providents	1,000	5.50	
	850	5.50	
	500	5.55	
	500	5.60	
H.K. Docks	500	15.50	
H.K. Electric Rts.	200	15.50	
H.K. Electric Rts.	341	11.00	
Cements	250	11.00	
Dairy Farms	150	14.25	
Ropes	58	17.75	
Ropes	500	8.25	
Ropes	500	8.30	
Macau Electrics	100	18.65	
		5.649	

HONGKONG SHAREBROKERS' ASSOCIATION

Volume of Business Transacted on Thursday, June 26, 1941.

SALES	China Lights (O)	200	\$ 6.05
China Providents	1,000	5.50	
	850	5.50	
	500	5.55	
	500	5.60	
H.K. Docks	500	15.50	
H.K. Electric Rts.	200	15.50	
H.K. Electric Rts.	341	11.00	
Cements	250	11.00	
Dairy Farms	150	14.25	
Ropes	58	17.75	
Ropes	500	8.25	
Ropes	500	8.30	
Macau Electrics	100	18.65	
		5.649	

The total value is \$47,618.00.

LONDON, June 26 (Reuter) — The British Foreign Secretary, Mr. Anthony Eden, in addition to his interview yesterday with the Spanish Ambassador, also saw the Netherlands Foreign Minister, Dr. E. N. van Kleffens, and the United States Ambassador, Mr. John G. Winant.

PRE-PAID ADVERTISEMENTS.

The following classes of advertisements are charged at the price given below:—

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Announcements not exceeding 25 Words are inserted under this heading at a Pre-paid Rate of \$1.50 for THREE INSERTIONS. If Charges collected, \$2.00.

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WE PAY HIGH PRICES

for all gold and silver articles. Jade, diamonds, jewels, watches, fountain pens. Apply Far East Diamond and Gold Refining Co., Room 621, China Building, 6th floor. Sundays and Holidays open.

WE OFFER HIGH PRICES

for any amount of gold articles, diamonds, silver, jewels, etc. No

holidays. Apply China Building, 7th floor. Tel. 30727.

EURASIA GOLD REFINING CO.

HOTELS

FOR JADED APPETITES!	REAL RUSSIAN FOOD	TEA DANCE DAILY
Tiffin \$1.20	Dinner \$1.50	EXCEPT MONDAYS
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FOREIGN MARKETS & QUOTATIONS

MONEY AND EXCHANGE

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JUNE 26 1941

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	Bank Bills, on demand 1/2 7/8
Credit 4 months' sight	
On Shanghai:	
On demand	440
On Singapore:	
On demand	52 3/4
On Japan:	
On demand	102 1/4
On India:	
Telegraphic Transfer	82 4/8
and demand	
On New York:	
Bank Bills, on demand 24 1/8	
Credits, 60 days' sight 24 7/8	
On Batavia:	
On demand	45 1/4
On Paris:	
Bank Bills, on demand N.o.	
Credits 4 months' sight N.o.	
On Saigon:	
On demand	104 1/2
On Manila:	
On demand	48 1/4
On Bangkok:	
On demand	148 1/2
On Sterling Notes:	
Bank Buying Rate	N.o.
Bar Silver per oz.	23 1/2

Market Report

FROM ROZA BROS.

Thursday, June 26.
Silver prices rose 1/16 yesterday for both Ready and Forward, the quotations being 23 1/2 for both deliveries. The Silver market was steady. American Silver was quoted at 34 3/4.

The London/New York cross-rate was quoted at 402 1/2. New York/London was quoted at 403 1/2.

MARKET

Featureless.

STERLING

(There were sellers 1/3 up to September, buyers at 1/3 1/32 for any delivery.)

U. S. DOLLARS

There were sellers at 24 1/2 for Cash and buyers 24 9/16 for Cash.

SHANGHAI DOLLARS

Sellers 451, buyers at 451 1/2.

SHANGHAI MARKET

Sterling sellers for spot at 3 5/16 U. S. Dollars. The market opened with sellers at 5 7/16 and closed at noon with sellers at 5 13/32 for Spot.

AFTERNOON MARKET

The market was quiet in the afternoon.

STERLING

The market closed with sellers at 1/3 up to September, buyers at 1/3 1/32 for any delivery.

U. S. DOLLARS

The market closed with sellers at 24 1/2 for near and buyers at 24 9/16 for Cash.

SHANGHAI DOLLARS

Sellers at 451 3/4 and buyers at 452 1/2.

SHANGHAI MARKET

Sterling at 3 5/16 and U. S. Dollars at 5 7/16, both sellers for Spot.

Shanghai Exchange

Shanghai, June 26 (Reuter).

Official T.T. Rates

Opening
London 0/3-1/4
New York 5/5 1/8
Japan 22-1/2

India

nominal
Paris 81.30
Hongkong 21-5/8

Sterling

Sellers
Opening
London 0/3-5/16
New York 0/3-5/16
June 0/3-5/16
July 0/3-5/16

U.S. Dollars

Spot 55-7/16 55-13 3/2
June 5-7/16 5-13/32
July 5-7/16 5-7/16

Market Quiet

Silver Duty Rate
Shanghai, June 26 (Reuter).
The Central Bank of China's rate on London at 10 a.m. today was 1/2 1/2 1/2.

The Equalisation rate was 24 1/4 per cent.

Calcutta Exchange

Calcutta, June 26 (Reuter).
T.T. on Japan, 81-1/2

India Rupee Paper

Bombay, June 23 (Reuter).
Govt. 34% Rupee, 90-0-0.

LONDON GOLD

London, June 25 (Reuter).
Bar Gold, Fine per oz., 100/-

NEW YORK COMMODITY MARKET (REUTER'S SERVICE)

	New York	Prev	High	Low	Close	Change
New York Cotton, July	14.52		14.47	05 off		
New York Rubber, July	21.00b	21.05	21.00	21.00	unch.	
New York Hides, Sept.	14.51b	14.52	14.45	14.45	.06 off	
Chicago Wheat, July	1024	103	102	103	1/4 off	
Chicago Corn, July	734b	734	734	734	1/4 up	
Closing Ranges Changes						
N.Y. COTTON: Notice date—25/6						
July	14.47	.48	.05 off			
Sept.	14.67	.87	.07 off			
Dec.	14.78	.78	.08 off			
Jan.	14.79	.79	.08 off			
Mar.	14.83	.83	.08 off			
May	14.82	.82	.10 off			
Business done:—103 lots.						
Tuesday's sales: 217,400 bales						
N.Y. RUBBER: Notice date—27/6						
July	21.00	00	unch.			
Sept.	21.05	10b	10a			
Dec.	21.05	10a	10 up			
Mar.	20	70b	21.00a	unch.		
May	unquoted					
Total sales:—24 lots						
N.Y. HIDES: Notice date—25/6						
July	1024	1024	0-1 4 up			
Sept.	1048	1048	0-1 8 up			
Tuesday's sales: 16,355,000 bushels						
CHICAGO WHEAT:						
LONDON SILVER						
London, June 25 (Reuter).						
Silver: All steady with no business						
SPOT: 23-7 16d						
CHICAGO CORN:						
July	732	732	0-1 4 up			
Sept.	768	768	unch.			
BOMBAY, SILVER						
Bombay, June 25 (Reuter).						
Market: Indian Mint Silver						
Ready					63-0-0	
July 19 Settlement					62-14-0	
Aug. 18 Settlement					62-13-0	
NEW YORK LARD:						
Sept.	1082	80	.12 off			
N.Y. BLACK PEPPER:						
Sept.	609b	11a	.02 off			

New York, June 25.

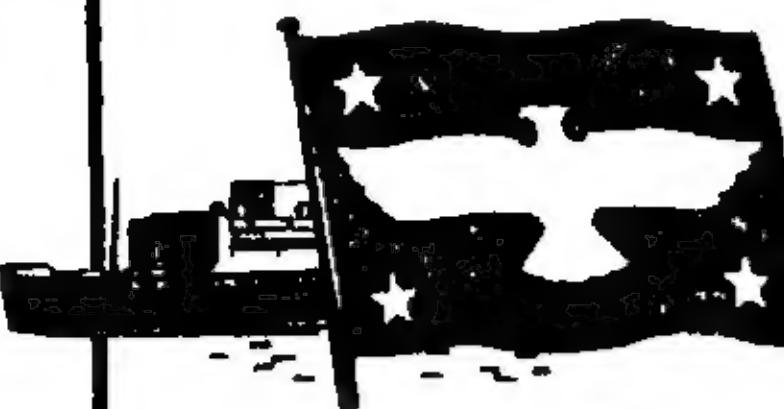
NEW YORK STOCK EXCHANGE

QUOTATION (REUTER'S SERVICE)

JUNE 26 1941

STOCKS	Last Sale	STOCKS	Last Sale
Adam Express	\$1	Johnsmanville	63½
Allis Chalmers	22½	Kennecott Copper	36½
Amer. Can.	84	Libbey-Owens-Ford Glass	27½
Amer. & Foreign Power	64	Lockheed Aircraft	25
Amer. & Foreign 5% pf.	10*	Martin, Glen L. Co.	28
Amer. Locomotive Co.	13½	Montgomery Ward	35
Amer. Metals	17½	National Aviation	81½
Amer. Radiator	6½	Nat. Dairy Products	13½
Amer. Rolling Mill	14½	National Supply Corp.	6½
Amer. Sting & Ring Co.	41½	New York Central	124
Amer. Sugar Refining	16*	Niagara Hudson Power	2½
Amer. Tel. & Tel.	156	N. American Aviation	14½
Amer. Tobacco "B"	69½	North American Co. (New)	12½
Amer. Waterworks	43	Northern Pacific	6½
Anaconda Copper	27½	Packard Motors	24
Atchison, T. & S. Fe.	29½	Paramount Pictures	12½
Baldwin Locomotive Co.	15½	Pennsylvania R.R.	23½
Baltimore & Ohio	3½	Phillips Petroleum	44
Barnsdall Oil	9½	Pullman Inc.	77
Bendix Aviation	37	Pure Oil	9½
Bethlehem Steel	73½	Radio Corp. of Am.	4
Bliss & Co., E.W. (com.)	16½	Reading Company, Com.	15
Boeing Airplane Co.	16½	Remington Arms Co., Inc.	41
Borg-Warner	17½	Republic Aviation Corp.	34
Briggs Mfg. Co.	19½	Republic Steel	19½
Budd M'facturing Corp.	4	Reynold Tobac. "B"	10
Canadian Pacific	3½	Schenley Distillers	10
Celanese Corp.	22½	Shell Union Oil	14½
Chesapeake & Ohio	36½	Socony-Vacuum Oil	9
Chrysler	57½	Southern Pacific	11½
Columbia Gas & Elec.	2½	Southern Ry \$5 pf.	24½
Commercial Credit Co.	23½	Pier Manufacturing Co.	33½
Com. & Southern (Ord.)	0½	Standard Brands	5½
Consolidated Edison Co.	18½	Standard Gas & Elec.	07.16*
Consolidated Oil	6½	Standard Oil of N.J	

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First and Third Weeks in July

STRAITS SETTLEMENTS

Last Week in June

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ASAMA MARU (starts from Shanghai) Thursday, 10th July

SEATTLE & VANCOUVER (Starts from Kobe)

HEIAN MARU Monday, 14th July

NEW YORK via Japan & Panama

NOTO MARU Saturday, 19th July

SOUTH AMERICA (WEST COAST) via Hilo & San

Francisco. (starts from Kobe)

SAN'IKI MARU Middle of July

COLOMBO & MADRAS via Singapore

HAKODATE MARU Monday, 1st Aug

SYDNEY & MELBOURNE via Manila.

SUWA MARU Saturday, 2nd Aug.

SAIGON

LIMA MARU Friday, 27th June

TOYOHASHI MARU Monday, 21st July

BOMBAY via Singapore & Colombo.

HAKONE MARU Monday, 21st July

RANGOON & CALCUTTA via Singapore

LIMA MARU Friday, 27th June

MATUMOTO MARU Tuesday, 8th July

KOBE & YOKOHAMA

TURUGA MARU Monday, 30th June

NOTO MARU Saturday, 19th July

NITTA MARU Monday, 28th July

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NO AMERICAN
"NEUTRALITY"
PROCLAMATIONVLADIVOSTOK OPEN
TO U.S. MUNITION

WASHINGTON, July 26 (Reuter)—President Roosevelt does not intend to issue a "neutrality" proclamation on the Russo-German war, according to an announcement by Mr. Sumner Welles, Under-Secretary of State, yesterday. United States ships will thus be permitted to carry arms to Vladivostok.

The United States is taking up the same position as she has maintained during the undeclared Sino-Japanese war.

Mr. Welles pointed out that under the Neutrality Act, a neutrality proclamation is required when the President or Congress shall find that there exists a state of war between foreign states and that it is necessary to promote or preserve the peace of the United States or protect the lives of citizens of the United States."

NO PROCLAMATION

Mr. Welles added that President Roosevelt had authorised him to announce that inasmuch as he finds that a proclamation is unnecessary in the present instance to promote the peace of the United States or protect American citizens, he has no intention of issuing a proclamation.

Asked what effect this would have on the transport of arms to Russia in American ships, Mr. Welles explained that the combat zones already established by the President do not include the Pacific region. Vladivostok will thus remain open to American ships carrying arms or any other supplies.

"BELLIGERENT" PORTS

Under the Neutrality Act, American ships are forbidden to carry arms to "belligerent" ports or defined combat areas.

Mr. Welles added that the United States had still not received an official communication from the Russian Government since the American declaration on Monday favouring Russia against Germany and President Roosevelt's announcement that all American aid possible would be given to Russia.

MARINE COURT

Pleading not guilty before Cmdr. J. Jolly yesterday to having entered his junk, a Class IV boat No. 2275A, into the West Lamma Channel Minefield without permission, a junk foki, Lai Pak, 20, of Macao was ordered to appear before the Marine Magistrate this morning when the case will be heard.

HONG KONG TIDE TABLE
From 27 June to 3 July 1941.

Days of Week	Days of Month	HIGH WATER		LOW WATER	
		Hong Kong Standard Time	Height	Hong Kong Standard Time	Height
Fri.	27	10:10	7.4	03:44	3.0
					0.4
Sat.	28	00:22	4.3	04:26	3.1
		10:51	7.2	1.22	0.5
Sun.	29	01:01	4.4	05:07	3.2
		11:36	6.9	19:04	0.7
Mon.	30	01:44	4.5	06:57	2.3
		12:27	6.44	19:46	1.1
Tues.	1	02:31	4.6	08:58	3.4
		13:29	6.8	20:31	1.6
Wed.	2	03:20	5.0	08:27	3.4
		14:39	6.2	21:01	2.0
Thu.	3	04:12	5.4	10:26	3.1
		16:09	4.5	22:14	2.4

War Revenue Ordinances
Of 1940 Passed

Continued from Page 5

REASONABLE DEPRECIATION

In connexion with Clause 18, the Financial Secretary said:

Government received yesterday a letter from the Hongkong General Chamber of Commerce suggesting that the words in subparagraph (a) be deleted and that the words "an allowance for reasonable depreciation" be substituted therefor. This would be a reversion to the wording of the corresponding section (Section 16(a)) of the War Revenue Ordinance, 1940.

As explained in the Table of Correspondence attached to the Bill, this clause has been redrafted so as to put the question of the meaning of depreciation on a clearer basis. The redraft was drawn up by a Sub-committee of the reconstituted War Revenue Committee and was accepted by the full Committee.

Government has noted the representations of the Chamber of Commerce on this matter but does not consider that a case has been made out for an amendment of the clause as it now stands.

VARIOUS FIELDS

Hon. Mr. A. L. Shields, addressing the Council, said that the Chamber of Commerce had last year's Bill in mind.

The Chamber felt that it was impossible to draw any scale of depreciation to cover the various fields of business in this Colony. In the case of factories which had put in plant to make materials for war purposes it was obvious, he thought, that in that case the plant must be written off. When the war finishes these people may be left with a very expensive plant.

THE ATTORNEY GENERAL'S PORTS

Under the Neutrality Act, American ships are forbidden to carry arms to "belligerent" ports or defined combat areas.

Mr. Welles added that the United States had still not received an official communication from the Russian Government since the American declaration on Monday favouring Russia against Germany and President Roosevelt's announcement that all American aid possible would be given to Russia.

A MISUNDERSTANDING

Hon. Mr. M. K. Lo said that in the absence of details of the objections of the Chamber of Commerce, there appeared to be a misunderstanding. No reasonable rates were specified. There was an time.

His Excellency: I do so rule.

The Attorney General seconded and the Bill was read a third time.

BILL PASSED

Upon Council resuming, the Financial Secretary said:

Sir, I have to report that the

Bill has passed through Committee with two amendments, namely,

the substitution of the words

"seven hundred and fifty" for the words "five hundred" in Clause 13, sub-paragraph (1) (c), and the addition of the words "within twelve months after the death of the deceased person" at the end of proviso (iii) (b) to Clause 39.

If Your Excellency will rule that the amendments are not material, I can move the third reading of the Bill at this meeting.

His Excellency: I do so rule.

The Attorney General seconded and the Bill was read a third time.

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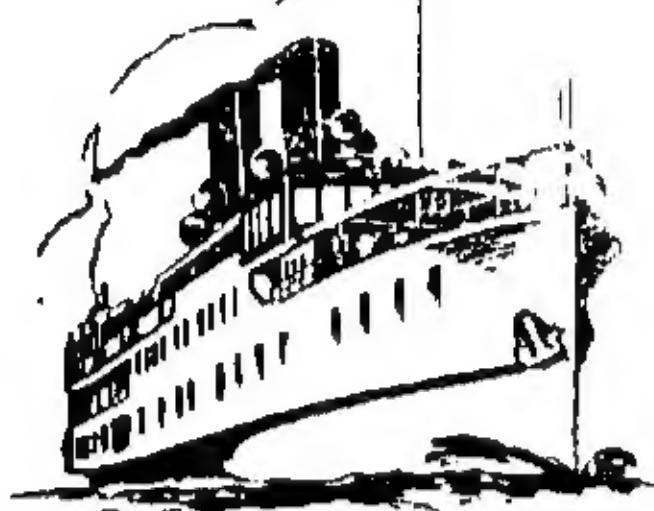
FRIDAY, JUNE 27, 1941.

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News And Its Distribution: How To Sift Its Truth And Its Falsity

In these days, when foreign news consists so much of propaganda, how can the ordinary newspaper reader and the radio listener sift out the facts and get a true picture of the position on world affairs? MR. EDWARD MONTGOMERY, a well-known journalist on the staff of the NEWS-CHRONICLE, answered this question when he broadcast from London yesterday.

"I am a newspaperman," said Mr. Montgomery. "My whole-time job is to follow the news that comes in and to try and get from that news what is important and what is true. As you read your newspaper or listen to your radio, you will have to do the same thing."

EXTREME VIEWS

"You will often hear people expressing extreme views on this subject. Of course it is true, says one. 'I saw it in the papers.' You cannot believe anything these days," replies the other. None of this is any good. Some of the news you see in your newspapers is false, some of it is true, some true and false at the same time. When you read your newspaper or listen to your radio, you must see in your own mind how much is true and how much false.

"In the main, newspapers and radios rely for their news on news agencies. Names of these agencies which are well known are Reuters, United Press of America, Associated Press of America, British United Press and a number of other small agencies. All these agencies are private enterprises served by free men and are subject to censorship conditions in each country where they operate.

A DISTINCTION

"They depend for the news they send out on the integrity of their correspondents and in distinction to these free news agencies are the controlled news agencies of the Totalitarian States. The control of news in Totalitarian States is very much more than a case of rigid censorship. Each Totalitarian State has its own news agency and it is only through this agency that news is distributed. In Germany there is the D.N.B., in Russia it is the Tass Agency, in Italy it is Stefani and in Japan it is the Domei Agency. These are the four big agencies, although there are a few more.

"The main feature of their work is that they are directly controlled by the country concerned through the Ministry of Information or Propaganda.

"Now, with that picture in your mind of a great network of news gatherers and news distributors operating all over the world, some working freely and some working under control of the dictators and their governments, let us get down to the news you are reading or hearing on your radio," continued Mr. Montgomery.

AN EXAMPLE

"Let us take the newspapers, for example. Into a newspaper office comes this great stream of news from all parts of the world. It has all been sifted and verified, but no newspaper uses the whole of this stream. Editors have to condense and set them again. They also have to verify them again.

"Like the news agencies, they get their news from many sources which may not be reliable. At this point I hear you say 'Why deal with sources which you have reason to suspect?' Well, even a born liar may tell the truth sometimes. Even false news may sometimes put out a story which is true.

"The editor of a newspaper, in fairness to his readers, has to publish it and it is essential that they should know it.

FINAL JUDGMENT

"Final judgment on the truth or falsity of news must rest with the individual reader or hearer and that is most important. Before you make an attempt to pass judgment, you should get an idea of how the newspaper man does it.

"The first thing is to consider the source of the news. The source is always given in what we call the by-line or date-line. From our own correspondent, Ankara, Monday." From our military correspondent in the Middle East, "According to the Rome newspaper . . ." According to Moscow radio quoted by Reuters, etc.

"News with such an introduction tell you from where the news comes. How can you tell whether these sources are reliable or not. In free countries you can be sure that the truth or falsity of the report

CROWN RENTS APPORTIONMENT AMENDMENT

At the meeting of the Legislative Council yesterday afternoon, the Attorney General (Hon. Mr. C. G. Alabaster, O. B. E. K. C.) moved the first reading of a Bill to amend the Crown Rents (Appportionment) Ordinance 1938.

The Colonial Secretary (Hon. Mr. N. L. Smith, C. M. G.) seconded, and the Bill was read a first time.

In the objects and reasons it is stated that the principal Ordinance, No. 4 of 1938, makes no suitable provision for determination of rent on the application of the owner of the Remaining Portion of a section, in cases in which the rent of such section has already been determined.

The object of the Bill is to make such provision.

LOCKJAW AFTER FOOT INJURY

Lung Sin, 40, of No. 1180, Canton Road, was admitted to the Kowloon Hospital yesterday suffering from lockjaw caused when he received an injury to his foot two days ago. A log of wood had fallen on him. His condition is described as serious.

Secret Record Of Lease, Lend Programme

WASHINGTON, June 26 (Reuter)—Work has started on agreements of six-term conditions under which Britain, China and other nations receiving Lease and Lend aid will repay the United States. It was announced last night by the assistant executive of the Lease and Lend Agency, Mr. Philip Young.

No mortgage or lease is written for individual shipment of war supplies, we explained, but instead an overall remuneration agreement is drafted.

The record of the Lease and Lend programme is entered in a big black book of which there are only two copies. The book is closely guarded as a military secret.

President Roosevelt has one and the Lease and Lend Administrator, Mr. Harry Hopkins, the other.

ALLIES ON HILLS ABOVE MER YAOUM

LONDON, June 26 (Reuter)—Following the occupation of Mer YAOUM in Syria, the Allies are now on the hills above the town and the latest news received in London shows that the Vichy troops have retreated to a point about 10 miles from Mer YAOUM.

It is stated that Allied forces are still attacking the strongly fortified town of Palmyra. They are also advancing on the Damascus-Berut Road.

MEXICO WILL FIGHT

MEXICO CITY, June 26 (Reuter)—The President of the Government Party, Senor Antonio Villalobos, told a meeting which packed the National Theatre here that Mexico was prepared to fight if necessary for the defence of Democracy.

COL. WEDGWOOD ILL

NEWARK, NEW JERSEY, June 27 (Reuter)—The British member of Parliament, Colonel J. C. Wedgwood, who has been touring the United States has been taken to hospital here as the result of a kettle of boiling water as she was lifting it off the stove.

He had taken ill after mounting the steps to a platform to address a meeting.

CHINESE CUSTOMS DUTIES

TOKYO, June 26 (Reuter)—The Standing Committee of the Japanese Chamber of Commerce and Industry this morning urged the Government to open negotiations with the object to revise Chinese customs duties, the result of which will be a general lowering of rates.

FOREIGN MAIRS

HONGKONG, FRIDAY, 27th JUNE, 1941.

GENERAL HOLIDAY

On Tuesday, 1st July, the General Post Office and Kowloon Central Post Office will be open from 8 a.m. to Noon. Sheungwan Branch Post Office will be open from 8 a.m. to 10.00 a.m. and the other Branch Post Offices will be entirely closed.

There will be one collection from the pillar boxes as on Sundays and one delivery of registered and ordinary correspondence at 11.30 a.m.

There will also be one delivery of ordinary correspondence at 11 a.m. from the Branch Post Offices at Stanley, Taipo and Wan Long.

The Money Order Office will be entirely closed.

Airmail Service by British Overseas Airways Corporation to East & South Africa, United Kingdom and beyond is temporarily suspended.

The public are reminded that it is a breach of postal regulations to enclose in a postal cover communications intended for persons other than the addressee.

The Printed Matter Service to the following places in China is temporarily suspended:—

Yunnan

Szechuan

Kweichow

Hunan

Fukien (except Amoy and Kulangsu)

Kwangsi

North and East of Kwangtung.

Small Packet Post to all countries is suspended.

INWARD AIR MAIRS

From	Due
Air Mail by "Pan American Airways Direct Service"—San Francisco date, 24th June,	1st July
Air Mail by "Pan American Airways Direct Service"—San Francisco date, 8th July,	15th July

OUTWARD AIR MAIRS

For	Date and Time
MONDAY	Mon. 30th June K.P.O. Reg. 4.00 PM Ord. 4.30 PM G.P.O. Reg. 4.00 PM Ord. 4.30 PM
AIR MAIL by Air to Rangoon to connect with the "British Overseas Airways."	TUE. 1st July K.P.O. Reg. Noon Ord. Noon G.P.O. Reg. Noon Ord. 5.00 PM
AIR MAIL for Manila, Guam, Honolulu, U.S.A. and Europe via "Pan-American Airways and Trans-Atlantic Services"	TUE. 15th July K.P.O. Reg. 5.00 PM Ord. 5.30 PM G.P.O. Reg. 5.00 PM Ord. 7.00 PM

CHATER TRUST FUND BILL PASSED

The Bill of an Ordinance to incorporate Trustees capable of holding property and empowered to administer two trust funds known as The Chater (Cathedral) Endowment Fund and The Chater (St. Andrew's Church) Endowment Fund for the purpose of assisting in the maintenance of St. John's Cathedral and St. Andrew's Church in this Colony, became law at the meeting of the Legislative Council yesterday.

Only one man was hurt, suffering burns to his chest, and is now in hospital. Twenty-three other junks, all loaded with petrol, managed to get clear of the fire in time.

The burning junk was completely gutted. It has not been ascertained what caused the fire.

Present at the meeting were His Excellency the Governor, Sir Geoffrey Northcote, K.C.M.G. (President), H. E. Major-General A. E. Gracey, O.B.E., D.S.O., M.C., Hon. Mr. N. L. Smith, C.M.G. (Colonial Secretary), Hon. Mr. C. G. Alabaster, O.B.E., K.O. (Attorney General), Hon. Mr. R. A. C. North (Secretary for Chinese Affairs), Hon. Mr. R. R. Todd (Financial Secretary), Hon. Mr. A. B. Purves (Director of Public Works), Hon. Dr. P. S. Selwyn-Clarke, M.Q. (Director of Medical Services).

Hon. Mr. W. J. Carle (Chairman of the Urban Council), Hon. Mr. J. P. Pennefather-Evans (Commissioner of Police), Hon. Mr. J. J. Paterson, Hon. Mr. S. H. Dodwell, Hon. Mr. M. K. Lo, C.B.E., Hon. Mr. Lee D'Almada de Castro, Jun., Hon. Mr. W. N. Thomas Tam, Hon. Mr. A. L. Shields, Hon. Mr. T. E. Pearce, Hon. Mr. Li Tee-fong and Mr. C. Bramall Burgess (Deputy Clerk of Councils).

Printed and Published by Henry Lloyd Murrow, for the Hongkong Daily Press, Ltd., at Marina House, third floor, 18-19, Queen's Road Central, Hongkong. London Office: 83 Fleet Street EC4.